

Foreign journalists return to Baghdad

BAGHDAD (AP) — The Iraqi government admitted foreign journalists for the first time in over a month Friday, promising to escort them on trips to cities in both northern and southern Iraq where anti-government unrest erupted in late February. Letting in nine foreign television stations and six print reporters seemed to indicate that the government was confident its forces had gained the upper hand over the insurgents. Reports from Iran's official Islamic Republic News Agency, monitored in Nicosia, Cyprus, have quoted Shiite Muslim insurgent leaders as saying they controlled the holy city of Karbala and other southern cities. But the U.S. State Department and refugees fleeing to the Kuwaiti border indicated the Iraqi army had the upper hand. In the north, the government said it had taken the important oil centre of Kirkuk away from Kurdish rebels. The rebels claim the fight over the city continued Friday. "The foreign press will visit Kirkuk, which was liberated on Thursday," one Information Ministry official said. He said during their two-week stay, the press will be escorted to the southern cities of Basra, Karbala, Najaf, Nasiriyah and Hillah.

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Zimbabwe wants genuine peace in Mideast

HARARE (R) — The foreign minister of Zimbabwe, which chaired the U.N. Security Council during the Gulf war in January on a rotation basis, said Friday his country wanted genuine peace in the Middle East. Commenting on the U.S.-initiated draft on the Gulf now before the Security Council, Foreign Minister Nathan Shamuyarira said Zimbabwe had been studying the resolution and would consult with other non-aligned nations at the United Nations, the national Ziana news agency reported. "We would want to see a comprehensive, fair and tolerant resolution which will bring genuine peace not only to the Gulf but to the Middle East," Ziana quoted him as telling local journalists. Mr. Shamuyarira said Zimbabwe would have some "very fundamental" comments to make on the U.S. draft resolution, the agency reported. It would insist that the resolution finally passed by the Security Council should end all hostilities in the Gulf.

Turkish Kurds vow to step up unrest

BEIRUT (R) — A Kurdish group fighting in Turkey vowed Friday to escalate its war for an independent state and said it would spread to northern Iraq. "Our party will escalate its war of national liberation... and spread it under wise leadership to southern Kurdistan (northern Iraq)," the Kurdish Workers Party (PKK) said in a statement. In an interview with Reuters last Sunday, PKK leader Abdullah Ocalan denounced one Iraqi Kurdish group, the Kurdistan Democratic Party (KDP) led by Masoud Barzani, as Turkish agents. A representative of Mr. Barzani and Jalal Talabani, who heads the Patriotic Union of Kurdistan, met officials in Ankara this month to seek aid for the rebellion against the Iraqi government.

Tunisia suspends main students' union

TUNIS (R) — Tunisian authorities suspended the country's main student union, the pro-Islamic Tunisian General Union of Students (UGTE), Friday for activities in breach of public order, official sources said. Union sources said police closed UGTE headquarters in central Tunis. The official news agency TAP said the union was suspended because petrol bombs and anti-government leaflets were found on its premises last Tuesday.

U.N. council prods Cypriots to cooperate

UNITED NATIONS (R) — The Security Council prodded Greek and Turkish Cypriots Thursday to cooperate with the United Nations in resuming discussions on reuniting their divided island under a federal system. A statement issued on behalf of all 15 council members urged all parties to cooperate fully with Secretary-General Javier Perez de Cuellar "in order to resolve without delay the outstanding issues." Mr. Perez de Cuellar told the council on Wednesday an "agreed outline" of a solution to the Cyprus problem should be possible within a few months if all parties cooperated.

U.N. official to coordinate return of Kuwaiti property

UNITED NATIONS (R) — A Canadian U.N. assistant secretary general, J. Richard Foran, has been named as the official responsible for coordinating the return of Kuwaiti property taken by Iraq, a U.N. spokesman said. Kuwait says property worth tens of billions of dollars, ranging from gold and currency to computers and museum exhibits, was seized by Iraq after its invasion of the emirate last August. A Security Council resolution requires its return, with arrangements to be made through the United Nations. Mr. Foran, 57, heads the U.N.'s office of general services and previously was in charge of its financial services.

Iraqi army retakes control of Kirkuk

Combined agency dispatches

KURDS FIGHTING the government said Friday they had retreated from the northern oil city of Kirkuk after fierce battles with government troops.

"Our forces retreated from Kirkuk. They are about 20 kilometres outside the city," a spokesman for the Patriotic Union of Kurdistan (PUK), one of several rebel groups, told Reuters in Damascus.

Troops loyal to the government of President Saddam Hussein recaptured what was believed to be the last major town held by rebels in southern Iraq.

Iraqi troops used helicopters, missiles and heavy artillery to seize control of Samawa on the Euphrates River Thursday night after five days of bitter fighting.

Reports from the border town of Safwan said Iraqi forces had entered the town.

Samawa, northwest of the southern port of Basra and straddling the main road through the Euphrates Valley, appeared to be the last rebel stronghold in southern Iraq to fall to government troops.

Rebels and refugees at Safwan said the government controlled other cities and towns.

Ramadan, 32, an Egyptian barber from Basra, said Iran had supplied the rebels with arms, smuggled into the country inside

truckloads of food sent as humanitarian aid late last year.

He said Shiites who had lived in Iran for several years and Iranians in civilian clothes were among the rebels who controlled Basra earlier this month.

The Iraqi News Agency said Thursday government troops had recaptured Kirkuk in a swift offensive.

Kurdish spokesman claimed earlier Friday that their forces still controlled most of the city which was under heavy bombardment by artillery, missiles and tanks.

The city, with a population of about 270,000 had been in Kurdish hands since last week.

In Cairo, an Iraqi envoy said Friday the post-war rebellion against the government was nearly under control.

"The situation has stabilised after the Iraqi armed forces were able to gain control over most areas in the south and the northern towns of Kirkuk and Daquq were cleared of rebel forces," Saad Kassem Al Hammoudi told reporters.

"The armed forces are on the way to gaining control of all areas in northern Iraq," he added.

Mr. Hammoudi is head of the Arab desk at the Iraqi Foreign Ministry. He spoke to reporters at Cairo airport when he arrived to represent Baghdad at an Arab League meeting Saturday.

The Iraqi army newspaper Al Qadisiyah reported Friday that the assault on rebel strongholds was "proceeding well and according to plan" in the north.

"The remnants of the agents, infiltrators and hooligans are fleeing en masse before the purging operations being carried out by the armed forces in the region," it said.

The deputy chief of Iraq's armed forces, Izzat Ibrahim, sent a cable to President Saddam Hussein Friday saying that loyalists had "spread out in the city (Kirkuk) to inspect and put things in order as was your wish," the Iraqi News Agency reported.

The United States said Friday that it regrets the violence that is taking place in Iraq but declined to intervene on the side of rebels.

"We are operating in Iraq on the basis of the U.N. mandate," said White House spokesman Roman Popadiuk. "Once the man-

date is totally fulfilled U.S. troops will be coming out. We have no plans for keeping our troops in Iraq or in the Gulf region one day longer than necessary."

The White House rebuffed a request from the Iraqi Kurdistan Front asking President George Bush to help them.

The leaders, Jalal Talabani and Masoud Barzawi, asked the United States to intervene to prevent the army from using "heavy weapons of mass destruction against civilians," including fixed-wing aircraft and combat helicopters.

"The issue of internal unrest in Iraq is an issue that has to be settled between the government and the people of Iraq," Mr. Popadiuk said. "It's a decision for the people of Iraq to make in terms of the leadership."

Asked if the United States might consider providing rebels with arms such as Stinger missiles, Mr. Popadiuk said, "our mandate was to get Iraq out of Kuwait. We fulfilled that mandate. Our next step is to get a permanent ceasefire so that our troops can be withdrawn."

Shamir reiterates rejection of any return of Arab land

TEL AVIV (Agencies) — Israeli Prime Minister Yitzhak Shamir said Friday that for him even talk about swapping the occupied Arab territories for peace was like being stabbed in the heart.

Mr. Shamir also contended in an interview with the mass-circulation newspaper Yedioth Ahronoth that expelling Palestinians helped reduce violence in the occupied West Bank and Gaza Strip. Israel this week ordered the expulsion of four Palestinians.

The United States has criticised expulsions and is pursuing a Middle East settlement based on Israel exchanging land in return for peace with Arab countries and the Palestinians.

Asked if he ruled out ceding the Golan Heights to Syria, Mr. Shamir said: "The territory is part of the nation's soul. When someone talks to me about territory, he is stabbing me in the heart. I cannot even talk about it. It is part of my being, of me."

Mr. Shamir said he could not prevent the subject being raised at future peace talks, but the 75-year-old prime minister added: "If I still have any influence, I will strive to see that we come out of them healthy, complete and without diminished power."

Israeli hardliners have been increasingly nervous about what they consider hints from government officials that Israel might negotiate the future of the Golan Heights in talks with Syria.

Last week Mr. Shamir cleared any ambiguity, saying: "They could say to us 'we want the Golan Heights' and we'll say 'we won't give it to you.' So here are your negotiations."

"We are always ready to negotiate in good faith," Mr. Shamir told the Jerusalem Post in a separate interview Friday. "But if you ask me now if there is a chance to change the territorial situation with Syria, my answer would be negative."

Syria has demanded the Golan Heights back before discussing peace with the Jewish state.

In Washington, questioned about a New York Times story asserting the administration is considering co-hosting with the Soviet Union a series of Middle East talks, spokesman Roman Popadiuk said no decisions have been made on any of the options under discussion.

"There are a number of ideas floating out there," Mr. Popadiuk said. "On how to get the peace process engaged again. We've had a number of discussions with foreign governments."

we've had a number of internal discussions on options and ways to proceed. No decisions have been made on any of these various options that may be pursued. Everything is still in the very rudimentary discussion stage."

Told his remarks were not inconsistent with the thrust of the story, he reminded reporters of Secretary of State James Baker's remarks on return from the Middle East, to the effect that there is no benefit to be derived from airing options, and that confidentially is the heart of diplomacy.

The New York Times said the Bush administration is exploring the possibility of convening regional peace talks, with the United States and the Soviet Union hosts, that would serve as the opening for direct negotiations between Israel and its Arab neighbours. Quoting Western and Middle East diplomats, it said while Mr. Baker has been very tight lipped about what he is trying to do in his talks with Middle East leaders, an approach that appears to be getting a lot of consideration would be for the United States and the Soviet Union to be hosts for a ceremonial opening "event" that might be

Yeltsin pushes anti-Gorbachev campaign after massive rally

MOSCOW (AP) — Soviet President Mikhail Gorbachev's six years of reforms were not a period of restructuring but "the last phase of the stagnation period," radical reformer Boris Yeltsin said Friday.

Mr. Yeltsin, Mr. Gorbachev's archrival and an enemy of hard-line communists, spoke to the Russian Congress one day after more than 150,000 people rallied to support his reforms.

Mr. Gorbachev had tried to stop the rally by deploying 50,000 troops and police. But demonstrators — numbering 150,000 to 200,000 by one count — turned out to support the leader of the Russian Republic anyway. There was no violence.

On Friday, Mr. Yeltsin, 60, outlined his vision of a new Russian Federation, one that abandons decades of abuses and champions human rights.

Mr. Yeltsin condemned the leaders who failed to fulfil promises of glasnost — openness — and the priority of human values at the start of the perestroika

reforms.

Speaking to about 1,000 Russian Congress delegates gathered in the white marble and plaster grand Kremlin Palace, Mr. Yeltsin borrowed a favourite Gorbachev phrase and turned it against his foe. Mr. Gorbachev frequently refers to the 1964-1982 rule of Leonid Brezhnev as the "era of stagnation."

"The objective results of the past six years demonstrate that what we have been witnessing was not perestroika but the last phase of the stagnation period," Mr. Yeltsin said his address, interrupted several times by warm applause.

One abuse of human rights he cited was the Soviet system's use of residency permits that prohibit citizens from freely moving from one part of the country to another. He called this practice "a humiliating situation."

Mr. Yeltsin spoke of "people power" and said the government's priority should be the "protection of every member of society."

He repeated suggestions he has made since last May when the congress elected him parliamentary chairman: The need for a broad-based, democratic coalition to rule the country and for private ownership of land.

Mr. Yeltsin's speech came after he failed to win congressional support earlier Friday to schedule debate on a powerful presidency for the Russian Republic. The Russian Congress failed to muster the 532 votes needed to debate the proposal; the special session only favoured it by a 458-447 vote.

He also lost a bid to prevent opponents from delivering a report on their views after his own. The congress voted 615-363 to hear the alternative speech.

The votes appeared to be only a temporary setback for Mr. Yeltsin. On Thursday, the congress overwhelmingly supported him, voting by nearly 2-to-1 to denounce the three-week ban on rallies decreed by Mr. Gorbachev's cabinet.

(Continued on page 4)

King, Mitterrand back quiet Mideast diplomacy

PARIS (Agencies) — His Majesty King Hussein said Friday that "quiet, active" diplomacy would best promote peace in the Middle East, and France pledged to work with Jordan develop initiatives.

Speaking after talks with President Francois Mitterrand, the King said an international conference on the Middle East would "eventually... be a must" because a comprehensive peace would need guarantees.

"But I believe personally that it is a time for diplomacy, quiet, active. Maybe on behalf of the five (U.N. Security Council permanent members), maybe with the help of people of goodwill throughout," he added.

Mr. Mitterrand's spokesman, Hubert Vedrine, said: "France is available for a joint examination by our foreign ministers of initiative which could be taken by France and Jordan, and at all levels, to deal with the problems of the region."

King Hussein's visit to Paris is his first to Europe since the Gulf war.

King Hussein told President Mitterrand that Palestinian involvement will be crucial to Middle East peace efforts.

Jordan will also be a key player. King Hussein told the French leader during the two-hour lunch at the Elysee Palace.

Describing Mitterrand his "dearest friend," King Hussein told reporters after the lunch that the end of the Gulf war "opens a new window" for Mideast peace.

The King said that a comprehensive settlement will be impossible without the participation of Palestinians.

"There has to be a Palestinian-Israeli dimension to it because without resolving that aspect of the problem there is no solution to the Palestinian problem. And the Palestinians have to be a part

Up to 10 a day die of hunger in Ethiopia

ADDIS ABABA (R) — A senior Ethiopian relief official said Friday up to 10 people a day are dying of famine-related diseases in eastern Ethiopia's Ogaden region and appealed for aid to be rushed to the area. Yilma Kassaye, head of the government's Relief and Rehabilitation Commission (RSS), said food shortages due to drought had been exacerbated by a massive influx of Somalis fleeing fighting in their country. In addition, Ethiopian refugees were returning home from Somalia. Mr. Yilma said the international community had so far ignored appeals for emergency food to be sent to the region. He said the government had drawn 50,000 tonnes of food from its 92,000-tonne food security reserve to feed an estimated one million affected people in Ogaden, and the remainder would also be transported there. He said the U.N.'s World Food Programme had food aid stocks in neighbouring Djibouti but they were destined for areas of northern Ethiopia hit by drought and not for the Ogaden. Northern areas — especially the provinces of Eritrea and Tigray — have been worst hit by a drought in Ethiopia which relief officials say has affected a total of more than six million people.



an effective, committed party," the King said.

King Hussein said his talks with Mr. Mitterrand were "the most frank and the most constructive" of all they had had over the years.

"We hope that we are on the threshold of doing all we can to ensure that the window of opportunity for peace, for human dignity, for security and a better future for all the people of our area will not be lost," the King added.

France, which long believed an international conference was the only way to bring Arabs, Israelis and Palestinians to the negotiating table, shelved that position following the war to support a diplomatic peace drive led by Washington.

The King echoed the new French position but added that: "Eventually, if you look at Security Council Resolutions 242, 338, or land-for-peace, or any other formula, it all ends up with Security Council guarantees. So the conference at some point is a must."

In apparent reference to the conference on security and cooperation in Europe, a 35-nation process which gradually disman-

ted East-West barriers over a period of nearly 20 years, King Hussein said "the way to the future for us in our region is along the European experience."

"I think this is what will have to happen. It's realistic, it's appropriate," he said.

There have been far too many ideas and plans that have kept us going in circles for years. Now we have an opportunity. I believe the window is there and I hope the principles that are applied will be the same everywhere.

King Hussein and President Mitterrand also discussed in a closed meeting bilateral relations. The meeting was followed by an extensive meeting attended by members of both the Jordanian and French delegations.

Attending the meeting on the Jordanian side were Royal Court Chief Sharif Zeid Ben Shaker, King Hussein's Political Advisor Adnan Abu Odeh, Foreign Minister Taher Al Masri and the Jordanian ambassador to France.

The meeting was attended on the French side by the French Foreign Minister, the spokesman for the presidential palace, president Mitterrand's political advisor and the French ambassador to Jordan.

King Hussein flew to Paris Thursday on the first leg of a working visit which will also take him to Germany.

Upon arrival in Paris, the King was received by Foreign Minister Roland Dumas and senior French officials, as well as the Jordanian ambassador and Arab ambassadors accredited to France.

King Hussein Friday received French Prime Minister Michel Rocard, Foreign Minister Roland Dumas and Defence Minister Pierre Jox. The King discussed with the three officials bilateral relations and scopes of bilateral cooperation, Petra reported.

Andreotti resigns League meeting may be perfunctory

ROME (AP) — Premier Giulio Andreotti resigned Friday, triggering the collapse of Italy's 19th post-war government.

Mr. Andreotti announced his resignation in a speech to the Senate that was interrupted by catcalls from the opposition. He was to formally submit it afterward to President Francesco Cossiga.

The government collapse came as no surprise. At 20 months, Mr. Andreotti's government already had lasted twice as long as the average.

For weeks, the coalition parties have been squabbling over such issues as the budget deficit, the fight against the mafia, and changes in the structure of Italy's post-war government.

"Honourable senators, I think it's our duty not to ignore a climate of exhaustion that has been accumulating for months," Mr. Andreotti said.

"In resigning, I am confident that all this ... (will) only give more strength to national policy, increasing and restructuring in citizens their faith in the state and in its representative institutions," Mr. Andreotti said.

Mr. Cossiga will choose a politician from the five parties in the governing coalition to try to put together a new government.

Mr. Andreotti, of the dominant Christian Democrat Party, had planned to reshuffle his government this week to address the recent problems. But he was blocked by former Premier Bettino Craxi, head of the second-biggest party, the Socialists.

"We need to set up a government that will last until the end of the legislature, and agree on a programme of things to be done that will have a certain consistence and be fairly binding," Mr. Craxi said Thursday.

The legislature's term ends in 1992.

Italy's main opposition party, the Democratic Party of the Left, boycotted Mr. Andreotti's Senate speech to protest the fact that parliament had no say in the government crisis. The party was formerly the Communists.

CAIRO (Agencies) — Arab League diplomats hoped to breathe new life into the strained alliance at their first large gathering Saturday since the Gulf war.

Arab relations were battered by the Iraqi invasion of Kuwait last August and the Gulf conflict that ensued. But diplomats say the council session in Cairo will provide a forum for pursuing Arab brotherhood.

However, on the eve of the conference, Arab diplomatic sources said the meeting will be adjourned after the opening session. They said Saudi Arabia's permanent representative, Taher Radwan, will request the suspension to allow for more time to promote greater cohesion.

They did not say when the next meeting will be, but they said it is expected to be at foreign ministers' level.

The Arab League Council session involves lower-level officials from the 21-nation group, including envoys from Iraq and Kuwait.

Iraq's participation seems to signal Baghdad's desire to end its isolation from most Arabs and "return to the mainstream" that the Arab League represents, some diplomats said.

Iraq will be represented at the meeting by Foreign Ministry official Saad Qassem Al Hammudi. "Iraq's participation in the

meeting is to affirm its policy to work towards Arab cooperation and strengthen solidarity," he said on arrival in Cairo Friday.

Iraqi rebels urged the Arab League Friday to expel Baghdad's delegate and give his seat to a number of the opposition.

"In the name of the Iraqi people we demand that the Arab League expel the representative of Saddam Hussein and prevent him from participating in the... foreign ministers meeting," said Ayatollah Mohammad Taqi Al Murtadha in a letter to the Arab League, obtained by Reuters in Damascus.

Although some ministers were expected to attend the meeting, league officials announced Thursday that only ambassadors and permanent delegates would take part.

Shoman chairs Arab Bank's General Assembly meeting

AMMAN (J.T.) — Chairman of the Board of Directors of the Arab Bank Abdul Majid Shoman Friday chaired a meeting of the bank's general assembly, during which they discussed the bank's budget, final accounts, and the board of directors' report (published on pages 5, 6 and 7).

The meeting was attended by the Ministry of Industry and Trade's companies controller and shareholders from various Arab countries.



هذا من الصحف

Four killed, 27 wounded in Beirut carbomb blast

BEIRUT (Agencies) — A carbomb blast killed four people and wounded 27 in Beirut Friday, hours after the government ordered Lebanon's private armies to give up their weapons.

The blast tore along a busy street, setting ablaze about 20 cars, blowing out windows at the Armenian Orthodox Patriarchate and damaging several shops. One of the four dead was an unidentified Lebanese soldier.

"We can't recognise him from his injuries," said an army officer, picking up the soldiers' blood-soaked jacket and bag from the devastated street as rescuers helped wounded civilians out of damaged cars.

Witnesses said an explosives-packed Buick blew up outside the patriarchate at a junction with a coastal highway in east Beirut's Antelias district.

The explosions were about 50 metres from the site of another carbomb blast March 20 which killed eight people and wounded 38 as Defence Minister Michel Murr's convoy was passing.

Security and hospital sources said 27 people were wounded in Friday's blast.

The security sources said the Buick had 100 kilograms of

explosives in it. The car had been damaged in the March 20 blast and was pushed to the side. Sources said Friday's casualties were lower than could have been expected because the explosion came at the start of the Eastern holidays and traffic was relatively light.

The government announced late on Thursday that all Lebanese and Palestinian militias should disarm by the end of April or face being forced to by Lebanese and Syrian troops.

Abolishing the private armies of sectarian and political groups is a vital step in consolidating a peace plan implemented last year to put a final end to nearly 16 years of civil war.

Information Minister Albert Mansour said the army would use force if any group disobeyed the order. He said the army would call for help if necessary from Syria's estimated 40,000 troops in Lebanon.

Mr. Murr, 59, escaped the March 20 assassination attempt with bruises but his car was wrecked after being flung upside down. There were no claims of responsibility for either car bombing.

Thursday's statement said the decision applied to non-Lebanese armed groups, apparent refer-

ence to be Palestine Liberation Organisation's (PLO) estimated 6,000 guerrillas in South Lebanon and 2,000 Iranian Revolutionary Guards based in East Lebanon.

There was no immediate reaction from the PLO or the Iranian Guards to the government plan. The Lebanese army will carry out a phased deployment throughout Lebanon between May 1 and Sept. 30, said the government statement that was issued after a seven-hour session chaired by Mr. President Elias Hrawi Thursday.

"After the expiry of the period for dissolving the militias, the Lebanese army will be instructed to deploy gradually in all Lebanese regions. Force will be used to eliminate resistance and opposition and the help of sisterly Syrian troops will be enlisted if need be," the statement said.

The government also ordered all the eight radio and four television stations founded by militias during the civil war to exercise self-censorship to "observe the requirements of national reconciliation to end the state of war."

A committee to oversee the censorship, including representatives from the information ministry, will be formed, the statement said.

Schwarzkopf says he apologised to Bush

RIYADH (AP) — General H. Norman Schwarzkopf, commander of U.S. forces in the Gulf war, said Friday that he apologised to U.S. President George Bush and that he supported the decision to end the war 100 per cent.

Gen. Schwarzkopf seemed eager to repair any differences with Mr. Bush as quickly as possible. He made the remarks in an impromptu session after visiting the joint information bureau of the U.S. central command.

"I apologise to the president. I said I am extremely sorry that a poor choice of words on my part in any way would result in dishonouring our past," Gen. Schwarzkopf said a day after he spoke on the phone with Mr. Bush.

"He's my commander-in-chief and he said, 'I'm telling you, just forget it. It's not important.'"

The dustup began after comments that Gen. Schwarzkopf made in a U.S. television Wednesday night in which he appeared to suggest that he had disagreed with Mr. Bush's decision to call a ceasefire to the war on Feb. 27.

"Frankly, my recommendation had been, you know, continue the march. I mean he had them in a rout," Gen. Schwarzkopf said in the interview, taped March 20.

Mr. Bush, upon learning Wednesday of the general's comments, declared: "There was total agreement on when this war should end," and Defence Secretary Richard Cheney issued a statement saying Gen. Schwarzkopf "raised no objection to terminating hostilities."

But Friday, Gen. Schwarzkopf said: "If I could do the whole thing all over again, I know I would change the word 'recommended' to say 'we initially planned.' Because that's what it was."

On Thursday, Mr. Bush called Gen. Schwarzkopf and told him "this is much ado about nothing," according to deputy presidential press secretary Roman Popadiuk.

The spokesman said "Mr. Bush assured the general that 'they're on the same wavelength and that this is one of those little irritants... shouldn't, you know, become any big thing.'"

Mr. Popadiuk had refused to say what Gen. Schwarzkopf told Mr. Bush.

Low turnout for Good Friday in Jerusalem

OCCUPIED JERUSALEM (AP) — Arab Christians and a scattering of pilgrims from the west paraded with crosses along Jerusalem's Via Dolorosa on Friday to commemorate Christ's brutal march to crucifixion.

The turnout was the lowest in years, with foreigners still hesitant to visit the Holy Land following months of tension and conflict in the Gulf.

At times, there were more paramilitary policemen at the 14 stations marking Christ's route to Calvary than there were worshippers.

The Palestinians from the occupied West Bank and Gaza Strip were banned from the area, so many Arabs were unable to participate here either in good Friday rites or prayers marking the second Friday of the Muslim holy month of Ramadan.

Heavily armed policemen checked identity cards at the gates to the old, walled city, and turned scores of young Palestinian men from Arab Jerusalem away.

The army also imposed a curfew on all the Gaza Strip and several major towns in the West Bank to tighten security in advance of the eight-day Jewish Passover holiday that begins Friday night.

Still, the tradition of marking Good Friday with processions, chants and prayers continued.

John Moore, a visiting businessman from Glen Burnie, Maryland, joined a group of 15 black-robed Arab priests as they made their way along the narrow, stone street marking the "Way of Sorrow."

"The connection to the ancient is so strong here," Mr. Moore said. "You feel you have to whisper because it is such a holy place."

Although there is no lasting peace yet in the region, "Easter gets celebrated in spite of everything," he said.

Banks bombed, bus torched, Kurds claim responsibility

ISTANBUL (AP) — For the third day in a row, bombs exploded in a major Turkish city, causing damage, reports said Friday. An underground Kurdish group claimed responsibility.

Three Istanbul bank branches were bombed and a passenger bus was set ablaze late Thursday, according to the reports from Turkish news agencies and newspapers.

Police said two suspects were arrested and two others wounded when they were run over by a police car during a chase after an attack on one of the banks.

All three banks sustained damage from fire, the reports said. The attacks occurred in different parts of the city and it was not determined whether they were linked.

Anonymous callers to newspapers claimed responsibility for the bombings in name of the outlawed Kurdish Labour Party (PKK), according to the reports.

Ethnic Kurds, who make up about one-fifth of this country's population of 57 million, have been fighting government forces since 1981 to set up an independent Marxist Kurdistan in southern Turkey where the borders of Iran, Iraq and Syria converge.

About 3,000 people, including civilians, security forces and insurgents, have died in clashes linked to the Kurdish independence bid.

Also Thursday night, five people poured gasoline on an empty city bus and set it on fire, the reports said. No one was reported injured. The bus was heavily damaged.

The assailants escaped and there was no claim of responsibility.

9 held, shops, cars ablaze in Paris suburb unrest

SARTROUVILLE, France (R) — At least nine people were arrested and shops and cars torched when gangs of youths clashed with police in this Paris suburb early Friday in new disturbances ignited by Tuesday's killing of a young Arab.

"What we've had throughout (Thursday) was a small 'intifada'," said outraged Sartroville Mayor Laurent Wetzel, comparing this situation to the uprising.

Mr. Wetzel, a conservative, had to be escorted to safety by police after being confronted by youths who hurled insults at him when he visited the wreckage-strewn battleground where mostly Arab youths had thrown petrol bombs at riot police who responded with rounds of teargas.

At least two large shops were completely gutted by fire while blazes at other shops and official buildings were put out before they could cause serious damage.

The youths, including some

who arrived from other suburbs on motorcycles, were protesting for the third successive day about Tuesday's shooting of an Arab teenager during an argument with local supermarket guards.

The two guards, a Tunisian and an Algerian, were charged on Thursday with manslaughter and complicity in manslaughter after the death of 18-year-old Djamel Chitoui, a French national of Arab origin.

Mr. Wetzel blamed France's Socialist government for allegedly ordering police not to intervene in the riot until the situation was completely out of control.

Estimates of the number of those who took part in the disturbances ran from several dozen to up to 300 youths, mostly French-born children of immigrant North African workers.

In Tuesday's disturbances, five policemen were injured and there was also widespread damage to shops and cars.

MIDDLE EAST NEWS IN BRIEF

Ozal pelted with eggs in New York

NEW YORK (R) — Turkish President Turgut Ozal was pelted with eggs in New York Thursday night while demonstrators chanted slogans about Cyprus, police said. Six people were arrested during the demonstration by about 300 people outside the Peninsula Hotel where the president was staying while in New York, a police spokeswoman said. Ozal was protected from the barrage of eggs by security people who surrounded him as he got out of his limousine in front of the hotel at about 6 p.m. It was not immediately known if any of the eggs hit him, the spokeswoman said. The demonstrators shouted chants urging Turkey to get out of Cyprus, according to the spokeswoman, police Sergeant Tina Mohmann.

Journalists call for release of reporters

DAMASCUS (R) — Arab news agencies have launched a campaign for the release of American and British reporters held hostage in Lebanon. The International Committee for the Defence of Journalists, set by Arab news agencies in London last week, published an appeal for the release of American Terry Anderson, chief Middle East correspondent for the Associated Press, and John McCarthy, a British journalist for Worldwide Television News. The committee said in a statement obtained by Reuters in Damascus Thursday the detention of the reporters "contradicted human and divine values" and impeded the flow of Arab and Islamic news to the world. Mr. Anderson, 43, is the longest-held Western hostage in Lebanon. He was kidnapped by the pro-Iranian Islamic Jihad group in Beirut on March 16, 1985. Mr. McCarthy, 34, was seized by a group calling itself the Revolutionary Commando Cells on April 17, 1986.

Italian foreign minister leaves Tehran

NICOSIA (R) — Italian Foreign Minister Gianni De Michelis left Tehran Friday describing his talks with Iranian officials as "very successful". Tehran Radio reported. Mr. De Michelis, who will be sightseeing in the historical cities of Shiraz and Isfahan before leaving Iran Saturday, said the two countries' joint economic commission would meet in Tehran in September, the radio said. Iranian Foreign Minister Ali Akbar Velayati, who saw off Mr. De Michelis, said Iran and Italy had common views on many regional and international issues.

Air chief fears victory making war attractive to Americans

RIYADH (AP) — The U.S. general who masterminded the air war says he worries that the allies' victory over Iraq is glorifying war to Americans.

"Because we made it look easy, people think it was easy — but it wasn't," said air force Lieutenant-General Charles A. Horner, head of U.S. central command air forces.

"This was a violently fought war and we seized everything we got," he said.

In an interview Thursday at his headquarters here, the 54-year-old general from Davenport, Iowa, bristled at media reports that the Iraqis did not fight and the war was "just a cakewalk, a rollover."

Americans cannot be allowed to forget that pilots faced intense anti-aircraft artillery and surface-to-air missiles and soldiers were confronted by Iraqi tanks and artillery barrages, he said.

In the euphoria of troops returning home, Gen. Horner said, he is concerned that Americans are going to forget the terror and tragedy of war.

"I worry that people will think war is attractive — that technology is what war is all about, my electrons versus your electrons,

or my guided bomber against your bunker," he said.

To combat the wave of instant glorification, he said, the American public should be reminded of the devastation in Kuwait which led to the allied intervention, and the suffering of many Iraqis now fleeing their country amid rebellion in the north and south.

"The real question is not why his air force didn't fight. The questions was how was his air force defeated," Gen. Horner said.

The key to the quick allied mastery of the skies, he said, was the decision to attack Iraq's military command and communications network which Iraq needed to run the war from Baghdad.

Bombing raids cut communications between Iraqi troops in the field and their commanders in the Iraqi capital, disrupting military operations, Gen. Horner said the Iraqis' fatal flaw was not being able to improvise and decentralise operations after their main command operation was knocked out.

"We exploited that weakness right at the start... and (Iraq) never had a chance," Gen. Horner said.

Ahtisaari: Mines, bombs pose grave danger in Gulf

UNITED NATIONS (AP) — The problem of mines, bombs, missiles and grenades strewn across Kuwait is "extremely grave," according to a U.N. official, who added that floating Iraqi mines might drift across the Gulf to other nations.

Under-secretary-General Martti Ahtisaari said Thursday that Kuwaitis could be killed and maimed for years by unexploded ordnance. He asked the United Nations and individual nations to begin an urgent programme to help clear the explosives.

Mr. Ahtisaari told the Security Council of his view that Iraq tried to erase Kuwait's national identity following the invasion and occupation of the emirate on Aug. 2, but that Kuwait has begun a strong recovery in just a month.

In reporting on his visit to Kuwait this week, his assessment of Kuwait's condition was far more optimistic than his report last week on Iraq. He said "near apocalyptic" allied air raids had reduced Iraq to a "pre-industrial" economy.

The under-secretary-general noted that in Kuwait, however, "both urban and outlying areas are reported to have a plethora of live bombs, rockets, grenades and other unexploded devices. The authorities also stated that explosive booby traps had been scattered."

He said "many thousands" of non-metallic mines were sowed

on and around beaches, and on the Kuwaiti border with Saudi Arabia. Plastic mines are more difficult to detect.

These mines are reported to be able to float, so "the future location of at least some may be anticipated to depend on tide and currents, and to present a threat to the coasts of other Gulf states," he found.

Some stretches of the Saudi-Kuwaiti border are so heavily mined that they may need to be permanently fenced off.

Mr. Ahtisaari said that without an immediate clearance programme, "acute danger could remain for years to come. In my opinion, this may be one of the most urgent humanitarian needs, as summer begins and the population, adults and children, begins to return to their country from exile."

At least two-thirds of Kuwait's pre-invasion population of about 1.7 million fled the country, he said.

Mr. Ahtisaari said he found the Kuwaitis "have fresh memory of a brutal occupation and the sacking and pillaging of their homes, their resources and their environment."

"I and my mission saw for ourselves prolific evidence of arson, looting, malicious destruction of homes, businesses, markets, museums, libraries, and all that a nation holds dear," he added.

JORDAN TIMES DAILY GUIDE AND CALENDAR

PRAYER TIMES

04:45 Fajr
05:23 Sunrise/Duha
11:40 Dhuhur
15:11 Asr
17:57 Maghreb
19:15 Isha

CHURCHES

St. Mary of Nazareth Church Swefieh, Tel. 810401
Assemblies of God Church, Tel. 62785
St. Joseph Church Tel. 62490
Church of the Annunciation Tel. 627401
De la Salle Church Tel. 661757
Terrasanta Church Tel. 62266
Church of the Annunciation Tel. 623541
Anglican Church Tel. 625393, Tel.

628543
Armenian Catholic Church Tel. 771331
Armenian Orthodox Church Tel. 775261
St. Ephraim Church Tel. 771751
Armenian International Church Tel. 685226
Evangelical Lutheran Church Tel. 611295
The Church of Jesus Christ of Latter-Day Saints Tel. 615817, 654932

WEATHER

Bulletin supplied by the Department of Meteorology.
Temperatures will be above the annual average for this time of the year and winds will be light and variable. In Amman, winds will be northerly moderate and seas calm.

Min./max. temp.
Amman 13 / 26
Aqaba 19 / 35
Djeddah 12 / 27
Jordan Valley 17 / 31
Yesterday's high temperatures: Amman 27, Aqaba 35. Humidity readings: Amman 36 per cent, Aqaba 25 per cent.

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AMMAN:
Dr. Mohammad Manna' 741444
Dr. Sa'ed Abu Hatab 64986
Dr. Khalid Mu'addi 743500
Dr. Saleh Zayed 796777
Firas pharmacy 661912

Ferdows pharmacy 778336
Al Asoma pharmacy 657055
Nairoh pharmacy 62672
Al Salam pharmacy 626730
Yacoub pharmacy 649445
Shmiesani pharmacy 637660

IBBID:
Dr. Lawrence Bader (—)
Al Sharras' pharmacy (—) 275825

EMERGENCIES

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Civil Defence Department 661111
Civil Defence Immediate

Rescue 630341
Civil Defence Emergency 199
Rescue Police 192, 621111, 637777
Fire Brigade 891228
Blood Bank 775121
Highway Police 84302
Traffic Police 896390
Public Security Department 63821
Hood Complaints 658000
Price Complaints 661176
Water and Sewerage Complaints 897467
Amman Municipality Complaints 787111
Telephone Information (directory assistance) 121
Overseas Calls 010230
Central Amman Telephone Repair 623101
Abdali Telephone Repairs 661101
Jordan Television 773111

Radio Jordan 774111
Water Authority 680100
Jordan Electricity Authority 815615
Electric Power Company 634381
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Quon Alfa Int. Airport 08-53200

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Jabal Amman Maternity 642362
Malhas, J. Amman 636140
Palestine, Shmiesani 6641714
Shmiesani Hospital 669131
University Hospital 843585
Al-Muasher Hospital 6672719

The Islamic, Abdali 666127/37
Al-Ahli, Abdali 6641646
Italian, Al-Muasher 7771013
Al-Bashir, J. Adrafieh 7751126
Army, Marka 8916115
Quon Alfa Hospital 60240520
Amal Hospital 674155
ZARQA:
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Zarga National Hospital (09)91071
Ibn Sina Hospital (09)986732
IBBID:
Princess Basma Hospital (02)275555
Greek Catholic Hospital (02)272775
Ibn Al Nafies Hospital (02)247100
AQABA:
Princess Haya Hospital (03)314111

MARKET PRICES

Upper/lower price in Jds per kg.
Apple 1200 / 1000
Banana 500 / 450
Bazana (Mukannar) 450 / 400

Beans 1000 / 800
Cabbage 120 / 80
Carrot 200 / 150
Cauliflower 180 / 140
Cucumbers (large) 250 / 150
Cucumbers (small) 400 / 350
Dates 1000 / 900
Eggplant 280 / 250
Garlic 600 / 500
Grapefruit 240 / 200
Lemon (per one) 150 / 100
Lentils 200 / 150
Marrow (large) 450 / 350
Marrow (small) 300 / 250
Onion (dry) 180 / 120
Onion (green) 400 / 300
Orange 350 / 300
Pepper (hot) 300 / 250
Potato 280 / 220
Radish 400 / 300
Sage 120 / 80
Spinach 320 / 260
Tomatoes

Ministers assess extent of damages in south

AMMAN (J.T.) — The Cabinet is expected Saturday to receive a detailed report about the damages caused to public and private property in southern Jordan, by the recent rain that brought about widespread devastation.

The Cabinet has entrusted Minister of Public Works and Housing Abdul Raouf Al Rawabdeh to make a tour of the affected regions in the south and to submit a report about the extent of damages, assistance needed by the local inhabitants, and estimates about the cost of repair.

Mr. Rawabdeh conducted the field tour Thursday and Wednesday in the company of Minister of Agriculture Mohammad Alawneh and other officials, and was briefed on the situation by the local governors of Karak, Tafleeh and Maan.

Following the tour, the minister told the Jordan News Agency, Petra, that damages in the Tafleeh Governorate were estimated at JD 300,000 and in Maan at JD 250,000, but he did not make any estimates of the worst hit regions of Karak and Shobak.

Mr. Rawabdeh said that at least JD 60,000 will be needed to cover the cost of repair work which has already started in different regions. The government is expected to make allocations for all the costs.

According to the minister, work on repairing the roads could take up to three weeks to be completed, while repair of the bridges could take up to three months.

At least eight people were re-

ported killed and scores of others were injured in the rain and storm that caused widespread floods, landslides and severe damage to the bridges, crops, retaining walls and other property, and caused the death of thousands of heads of sheep.

The floods inundated homes, warehouses, and government departments and caused disruption of road, telephone, and other services.

Minister of Agriculture Mohammad Alawneh was quoted as saying that the storm that hit Karak caused a catastrophe to the region. "The Ministry of Agriculture has already started to help the local communities overcome the consequences of the storm in cooperation with the ministries of public works and water and irrigation," Alawneh said.

He said that the Ministry of

Agriculture would be ready to supply the local inhabitants and farmers with all types of olive and fruit trees, free of charge, so that they can resume their work.

Several Parliament deputies from the southern constituencies, accompanying the two ministers on their two-day tour of the south, urged the government to offer the local farmers compensation for their losses.

Youssef Mubaydin said that the local farmers had lost all their fruit trees, while Matar Al Bustanji said that unless the government moved fast, the local population would suffer a great deal.

Nine emergency committees have been reported at work already, coordinating and supervising the various types of activities required to restore normal life to the southern region.



Minister of Public Works and Housing Abdul Raouf Al Rawabdeh Thursday toured the southern parts of Jordan to assess the extent of damage inflicted by the rain (photo by Youssef Al 'Allan)



REGENT ATTENDS FRIDAY PRAYERS: His Royal Highness Crown Prince Hassan, the Regent, attended Friday prayers at Omar Ibn Al Khattab Mosque in Zarqa and listened to the Friday sermon which focussed on the advantages and wisdom of fasting. The sermon stressed the importance of cohesion and unity of Muslims all over the world and called for bringing up responsible Muslim generations. Also attending the prayers were Their Royal Highnesses Princes Abdullah and Faisal, Prince Talal Ibn Mohammad, Prince Rashid Ibn Al Hassan and Chief Chamberlain Prince Raad Ben Zeid.

Development fund allocates JD 400,000 for projects

AMMAN (Petra) — The Development and Recruitment Fund's Board of Directors has initially allocated JD 400,000 for small projects, costing no more than JD 2,000 each, according to the fund's Director Abdul Ilah Abu Ayyash.

He said that the allocations would be given to the General Union of Voluntary Societies (GUVS), Queen Alia Jordan Social Welfare Fund (QAF), Noor Al Hussein Foundation (NHF) and Save the Children Federation, which will give direct loans to individuals wishing to set small-size projects.

It is expected that such allocations will provide 200 job oppor-

tunities for the poor. Abu Ayyash said.

The fund has also approved the allocation of JD 150,000 for QAF to enable it to establish five centres for raising livestock in Maan, Karak, Tafleeh, Mafraq and Amman governorates.

A total of 1,100 families are expected to benefit from this project, according to Abu Ayyash.

The fund also approved the allocation of JD 45,000 to GUVS for spending on the construction of booths, aimed at providing job opportunities for some 50 disabled people and ensuring a monthly income of no less than JD 70 for each of them.

Jordanian trucks may go to Gulf through Saudi Arabia;

PTC to be delivered 50 buses from South Korea

Transport sector to boost operations

AMMAN (J.T.) — The coming few months will witness a revival of operations by the Jordanian land transport sector as Jordanian trucks would be allowed to pass through Saudi Arabian territory on their way to other Gulf states with goods in either direction, according to Minister of Transport and Telecommunications Jamal Al Sarairah.

Contacts are under way with the Saudi government and other Gulf states to allow Jordanian trucks to operate again, said the minister in an exclusive interview with Al Ra'i Arabic daily.

Mr. Sarairah said the Jordanian public sector, like all other sectors, was severely hit by the Gulf crisis, and many of the trucks were lying idle. But, he said, this sector is bound to witness a revival because most of the medicine and relief supplies from international sources will be going to Iraq via Aqaba.

During the Gulf crisis, Saudi Arabia banned Jordanian trucks from entering Saudi territory, cut off oil supplies to the Kingdom and reduced the number of Jordanian embassy staff in Riyadh and Jeddah.

Most of the agricultural pro-

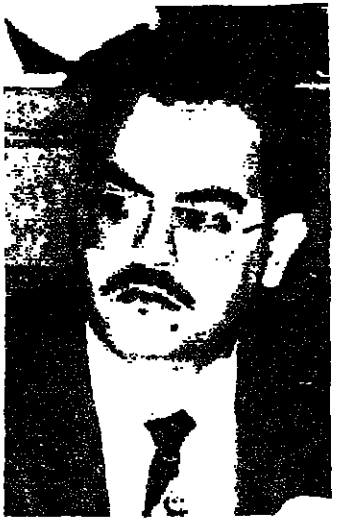
ducts going to the Gulf had been transported through Saudi Arabian territory; and the ban dealt a severe blow to the transport as well as the agricultural sector.

Referring to public transport, the minister said that Public Transport Corporation (PTC), which has 302 buses, will soon take delivery of 50 new buses from South Korea, each with a capacity of 25 seats. The new buses are bound to boost PTC's operations, the minister said.

The public transport buses, he said, are needed to offer the Jordanians cheap public transport and serve as a substitute for private cars.

According to the minister, the government's fuel conservation measures which last month included private cars running on alternate days only, saved the country up to JD 13,000 on a daily basis.

Mr. Sarairah said that the PTC had no intention to expand its operations beyond the Greater Amman Region for the present time. He said that new buses would help boost the operations within the Amman boundary and allow the PTC to reach re-



Jamal Al Sarairah

mote regions of the capital. With regard to the telephone service, he said, new telephones would be purchased and new electronic exchanges, bought from Japan, would be installed soon in the Maan Governorate.

The minister expressed hope that a plan for reorganising the work of the Ministry of Transport and Telecommunications would be soon implemented with a view to improving the quality of services to the public. The plan, he said, cover the Telecommunications Corporation, the postal services and the Ministry of Transport and its various branches.

Indonesia sends humanitarian aid to ICRC

AMMAN (J.T.) — The government of Indonesia sent its national aircraft, Pelita Air Service Boeing 707, bringing 150 cubic metres of humanitarian aid for the people suffering from the Gulf war. The plane arrived at Queen Alia International Airport on Thursday, March 28, 1991.

At the airport, the secretary general of the Indonesian National Red Cross, Mr. Sutikno, who led the Indonesian team, handed over the items symbolically to Mr. Werner Kasper, head of the ICRC delegation in Amman, during which the ambassador of Indonesia, Dr. Sumaryo Suryokusumo, and his staff were present.

The aid includes medicine, food, blankets, electric generators, and water filters, donated by the government and the people of Indonesia to the suffering people adversely affected by the recent Gulf war.

The ICRC in Amman will make further arrangements for their distributions in Baghdad.

EC relief aid flown into Iraq

AMMAN (J.T.) — Thursday morning an Ilouchine 76 carrier chartered by Medecins sans frontieres has landed at Habanya airport, at a distance of about 40 kilometres from the Iraqi capital.

It carries 28 tonnes of medicine, medical and surgical material as well as powdered milk and high energy biscuits, all being financed by the European Community (EC).

This material will be trucked to the governorate of Al Ramadi, where the team of Medecins sans frontieres, on the site now, has assessed important needs.

According to the team, the paralysis of the hospitals and health centres at Al Ramadi, due to the lack of energy, medicine and material, looks like the one already seen Al Fallujah, where a convoy from Jordan was able to bring supplies for the medical structures.

Medecins sans frontieres continue their evaluation of the health situation in the country.

Arab Youth Forum to aid affected south

AMMAN (J.T.) — The Arab Youth Forum (AYF), which started a three-day meeting here on Thursday, has decided to extend assistance to the inhabitants of the southern regions of the Kingdom to overcome the effects of the recent rainstorm which caused widespread damage to roads, water and electricity networks and crops.

The announcement was made by AYF's Secretary General Abdullah Kanaan in a statement to the Jordan News Agency, Petra, Friday.

"The AYF will dispatch teams of youth to the governorates of Karak, Maan and Tafleeh in the coming days to do voluntary work in any sector that might need it, especially to help the affected families and farmers," Mr. Kanaan said in his announcement.

Mr. Kanaan said that the AYF would open a special account with the local commercial banks to raise donations from various Jordanian organisations and individuals to finance the cost of reconstruction in the south in cooperation with the Jordanian Hashemite Charitable Society.

Youth delegates from 11 Arab countries, including Jordan, are taking part in the three-day meetings which opened at the Palace of Culture. They are to review

working papers dealing with the Arab youth's participation in resolving problems in the Arab World and offering help to the needy.

AYF President Mansour Murad addressed the opening session saying that the AYF's services "are now needed more than at any time in the past in view of the Gulf crisis and in the course of confronting the U.S.-led colonial aggression on the Arab World."

The delegates, who represent Jordan, Morocco, Algeria, Tunisia, Sudan, Egypt, Libya, Lebanon, Syria, Iraq and Yemen, later visited Speaker of the Lower House of Parliament Abdul Latif Arabiyat for an exchange of views on the situation in the Arab World and the role of youth.

"The enemies of the Arab Nations are bent on dismembering the Arab World and keeping the Arabs in disarray and unable to resist colonial rule," Mr. Arabiyat told the meeting.

Mr. Arabiyat described the so-called new world order as a means to take the Arab World back to the pre-historic ages. He stressed the need for promoting the cause of true democracy which, he said, would ultimately lead to Arab unity.

Children in the aftermath of the Gulf war: Unanswered questions, disappointment over result

By Nur Sati
Special to the Jordan Times

AMMAN — While adults themselves were trying to absorb the magnitude of developments in the Gulf war, children were left to deal with the sight of depression around them without knowing the truth behind the scenes.

Children were fed the same dreams and expectations the parents had, but when the war took an abrupt turn against Iraq the parents were left with no logical explanation to deliver to their children.

Al Dustour (Arabic daily) columnist Dr. Abdullah Khatib pointed out: "We told the (children) we would get back our usurped land. We told them God was on our side and on the side of justice. We told them we would win and that those who stood against us were the unbelievers and that God would not stand by them. And we promised them the war would result in victory with-

out giving them a single possibility that it may turn out to be otherwise."

Most people seem to be talking less about the Gulf war and crisis. But children's curiosity is less contained. Amongst themselves they ask: why did we not win? Why their parents do not answer their questions?

"What can I tell my children when they believed us when we told them we would win and we would be able to go to Palestine?" asked a distraught mother of two.

At a certain school, although they were not allowed to talk about the war during that time, now the students ask a lot of questions to their teachers. Yasmin, a girl of 11, says: "We ask many questions but the teacher does not answer us. She moves to other subjects. Why all this secrecy of all a sudden?"

"It is not so easy to break the news to them," says a history teacher for 13 and 14 year olds. "They are delicate at this age," she adds. The teacher, who preferred anonymity, said she was going through a dilemma in class. "While I am teaching Middle East history and trying not to talk about Iraq, the children ask me lots of questions," she said her difficulty was in what to tell them. "I do not know what their parents have told them. At the same time, I feel, as a history teacher I should tell them the facts. Because of that, I end up not telling them anything."

Some children were lucky in

that their parents told them there was a possibility of losing the war. But these children too are confused by others saying: "My parents told me that Iraq did not lose the war."

This conversation in a school playground soon developed into a row between the two children. The conclusion children reached was: "Say what you want, my parents do not lie."

"We are indebted to our children in Jordan to give them a convincing explanation of what happened because their confusion has gone beyond any description. They need a true, honest knowledge," Dr. Khatib wrote in his Al Dustour article a fortnight ago.

B.A. psychologist Lina Muasher, who has had experience with children, says: "Many children are feeling that the trust they had for their parents is now much less." The father image is not as "holy" now because "some children may feel that their parents have lied to them," Miss Muasher told the Jordan Times.

"When they (children) see Iraqis and other Arabs fighting each other, for them the key question is: 'Are Arabs good or bad?'" Miss Muasher maintains as another proof of confusion among children.

Many children related the Gulf war to an Atari game. They began playing Atari during the war and put themselves in Iraq's place, as a hero. "When the children were told the result of the war did not turn out as it was expected, many children lost

confidence and self-esteem because heroes are supposed to win," according to Miss Muasher.

One five-year-old boy summed up his idea about the situation: "Iraq equals good. America equals bad."

People attribute positive events to themselves and negative events to the environment. In other words, even though Iraq did not win, it is because there are bad people around, children say.

"This might affect the child's future and the way they relate to foreigners. They might want to seek revenge. But this is where the parents should step in," Miss Muasher said.

Children of 16 years old and over face a different problem. Though they realise what has happened, and hold more strongly to their Jordanian and Arab identity, they fear having to explain and justify themselves if they go to university in the United States. "I worry about having to explain and clarify the situation," Khaled, a 17 year old, said. The immediate consequences are that children will lose self-esteem, confidence and identity. Miss Muasher affirmed. In some extreme cases children are experiencing abnormal sleep and lack of concentration in class because "when all hope is gone depression sets in," she added. "But in the longer term, especially with the teenagers now, they will, in the future, build a stronger sense of identity, nationalism and they will become more set to achieve peace through give and take."

Gulf crisis affects woollen cloth factory

AMMAN (J.T.) — The Jordan Worsteds Mills Company (JWMC) was badly affected by the Gulf crisis in the past year and its sales dropped to 15 per cent of the total production, down from 50 per cent according to Samir Alamat, the company's assistant managing director.

"Last year, the company sold JD 6 million worth of its production to the local markets and abroad, down from JD 8.6 million in previous years, but the company hopes that this year its sales will top the JD 9 million mark," Mr. Alamat said in a statement to the Jordan News Agency, Petra, Friday.

Alamat said that before the Gulf crisis the company used to sell its woollen cloth to Iraq, Yemen, Egypt and Lebanon, but in the aftermath of the crisis the sales dropped, especially those that used to go to Iraq that served as the largest market for the company's products.

The JWMC was established in 1964 with an initial capital of JD 1.35 million, but the company's assets are now estimated at JD 13 million, Mr. Alamat said.

"Due to the loss of the Iraqi markets, the company is now turning its attention to new markets abroad and there are good chances for more sales during this year," Mr. Alamat added.

"The JWMC helps to meet most of the Jordanian market's needs of cloth, in different types and shapes, and at the same time saves the country hard currency that would have been spent on the purchase of woollen cloth from other countries," Mr. Alamat said.

He added that the company, which now employs 150 workers and engineers, plans to set up a dressmaking shop to meet the needs of the local markets.

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Jordan Times advertising department.

Arrogance that flows

ISRAEL, more than any other state in the region, has come out of the Gulf war the most arrogant. Its contention, sadly parroted by some Western officials, is that the war has shown determination in Arab minds and especially Palestinians to destroy the Jewish state. Therefore, while the U.S. Arab allies are urged to start confidence-building moves towards Israel, the Jewish state takes all the measures it finds suitable to suppress the Palestinian people and their legitimate aspirations and rights. Shouldn't Israel as well be asked to show willingness for peace? And what causes the lost confidence between Arabs and Israelis except Israel's brutal treatment of the Palestinians and the usurpation of their lands?

The deportation of Palestinians, the demolition of their homes, the closure of their educational institutions and the internment of their children and the Likud's policy of shoot to kill are measures of confidence-wrecking that will not only threaten whatever peace process is in progress. These policies will also contribute to more hatred, radicalism and fanaticism on both sides of the divide. In addition, they are likely to endanger whatever relations that developed between the U.S. and its Arab allies. Any hope that the U.S. had for convincing Arab extremists of the possibility of peaceful coexistence with the Jewish state will evaporate in thin air when Israel's brutal measures begin to have their effects on the West Bank and Gaza Palestinians.

While the U.S. could keep its coalition at the time of war, it is very doubtful that it will keep it now, applying still double standards to similar causes. The Arabs have always looked at the expulsion of Palestinian grassroots leaders as a prelude to the transfer of the Palestinians from their land. The inclusion in Prime Minister Yitzhak Shamir's cabinet of a minister who advocates transfer was an ominous sign of the ill-intentions of the Israeli leadership. The move, which came at the height of the Gulf crisis, could not have escaped the minds of Arab leaders and the Arab masses.

Furthermore, the expulsion of Palestinian local leaders is a flagrant violation of the U.N. charter, the Geneva conventions and numerous Security Council resolutions on the issue. While more Security Council resolutions are being imposed on Iraq, the U.S., now the self-appointed leader of the council and the architect-to-be of the new world order, is expected to apply the same standards when dealing with the conflicts of the Middle East. Continued Israeli violation of Palestinian human and political rights will only bring more fanaticism and this is the lesson that the U.S. ought to learn from its own experiences in this part of the world.

ARABIC PRESS COMMENTARIES

A visit to Paris by His Majesty King Hussein, and a visit to Amman by the speaker of the French national assembly present an important chance for corroborating France's understanding of Jordan's position vis-a-vis the recent events in the Middle East and the Gulf region, said Al Ra'i Arabic daily. Jordan which has an important role to play in the peace-making process, believes that Paris should be a key factor in giving impetus to this process, benefiting from the present opportune regional and international political climates, as was explained by the King to the visiting French parliamentarian, the daily continued. What the Arabs ask France to do is to deal with the international legitimacy in an equitable and fair manner, and through the same criteria for the sake of implementing U.N. Security Council resolutions concerning the Palestine problem and the Arab-Israeli conflict, the paper pointed out. What is needed now, the paper added, is for France to display determination and will, similar to those manifested during the Gulf crisis. Israel no doubt believes that France will not have that determination and that the world community will do nothing to stop atrocities like the deportation of Palestinian citizens from their homeland, said the paper. Israel, and in defiance of the United Nations last December's condemnation of similar deportations, has just deported four Palestinians, and has displayed total disregard to France's regret and Washington's dismay, the paper argued. It said should Paris take a serious position to deter such Israeli actions, the Israelis would no doubt re-examine their present oppressive policies against the Palestinian population.

A columnist in Al Dastour Arabic daily directs public attention to the excessive cost of higher education in Jordan and calls for offering the poor as well as the rich equal opportunities for higher learning. Issa Shuaibi supports the emergency in Jordan of institutions of higher education like community colleges and private universities serving side by side with the government — controlled institutions, but he notes that private colleges and universities are being set up at a very high cost which subsequently requires charging the students high fees which only the rich and the wealthy can afford. The writer says that the private universities are being established on expensive plots of land and are being supplied by very expensive facilities and equipment, making the operational cost quite expensive and consequently requiring higher fees from the students, unlike the situation in other Third World countries where universities operate in simple and modest buildings and even barracks, offering the chance to all types of students to acquire higher education at very reasonable price. It could be argued that building operations and the purchase of land are bound to stimulate the economic sector in the country, and this is by far true, says Shaibi. But he notes that by building expensive universities, the country is opening the door only to wealthy students and closing it to the children of the limited-income groups. He suggests that private universities whose aim is to offer people the chance to learn without having to go abroad should be set up at a lower price so that operational cost can be reasonable with no heavy burden on society.

View From Amman

The Arabs and the New World Order

By Kamel S. Abu Jaber

THE Gulf crisis of 1990 constitutes a shock of greater proportion than that of 1967 and the total loss of Palestine to the Zionists. It is hoped that the Arab leadership which seems to have learned nothing from the earlier disaster, would learn something from this one. For as this century is drawing to its close the Western-Zionist plans for the further fragmentation of the Arab World are now more evident than ever. The saddest aspect of this crisis is not only that our Muslim neighbours in Iran and Turkey joined the so-called alliance against Iraq, but that most Arab nations were either in on the kill or simply stood aside wringing their hands or mumbling incoherently.

Several reasons account for the gloomier prospects of the Arab World following this latest catastrophe. First, that we are not only on the door-step of the twenty-first century, but a new international order sponsored again by the United States and international Zionism too. Three times in this century presidents of the U.S. sponsored a vision of a new international order: President Woodrow Wilson sponsored the idea of the League of Nations and a world that is "free" and democratic in the wake of World War I; President Franklin D. Roosevelt sponsored the United Nations Organisation with similar ideas after the World War II; and now President George Bush is advancing the idea of a New World Order after war against the Arabs disguised as a battle against Iraq.

Two immediate remarks are in order. First, that in all three cases the Zionist influence is very evident; and second, that whereas the ideas and ideals behind the first two attempts were rather clear, that is not the case with regard to the new idea of

President Bush. What is meant by this New Order? Who governs it and how? Will it coexist side by side with the United Nations Organisation or will it supersede it and how and why?

These questions are the more immediate for us now in the Arab World than ever before. Several reasons account for the urgency and the immediacy of these questions. First, because for the first time in modern history, one nation, the U.S., seems to have coopted the international will in a fashion that promises to be of long duration. Second, because of the Arab World has never been so utterly polarised around opposing camps or so fertile with hatred and animosities. Third, because of the total failure of Arab institutions — if any ever existed — and leaders to deal with the terrible crisis thus inviting penetration from the outside and providing it with both an Islamic and an Arab umbrella of legitimacy. Fourth, because of the terrific shock to the psyche of the average Arab watching his nation rendered so helpless and so prostrate, eating and dismembering its own self while being beaten ruthlessly by others. No, Iraq was not right in occupying Kuwait. Iraq should have withdrawn. Iraq should not have resorted to violence against Kuwait or its people. Iraq made many mistakes. All these are truisms that need no elaboration or discussion, but the question that will linger in Arab memory will revolve around whether the deed deserved that much punishment.

The shattering of the Arab hunger for oneness will be blamed by Arab memory as much on our leaders as on the Zionised West and its cohorts. Each people has a memory that is distinct from

that which is written in its annals and history books. It was Buddha who said: some twenty six centuries ago, a half truth is equal to a whole lie. No amount of condiments poured on the "facts" of this crisis will cover the stench of the tens of thousands of Arabs, especially Iraqis whose corpses still lie in our Arabian deserts now perfumed with oil. We can blame whomever we may wish to blame, but we must know that even a one-eyed man can see, and more, even the blind can discern. History has time and will judge.

It is thus, we find ourselves searching for what we should do next. The first question that comes to mind is have we learned anything? Have our leaders?

It is good that Iraq is democratising. The process is made more painful because it is conducted in the shadow of foreign bayonets as well as internal rebellion and the conduct of unneighbourly neighbours. Still it is good and a step in the right direction.

We need new input and new ideas. We must do that quickly and sincerely and not in the usual manner of out-witting our people in the hope of maintaining the privileges of the ruling clique, keen, very keen on the status quo come what may. It is said that the Chinese write the word crisis by combining the two symbols for opportunity and danger. There is danger and there is opportunity now, for while an end to the hostilities has been reached, there still is no conclusion. Let the conclusion this time be a genuine search for new vistas and new ideas based on a free dialogue and not simply statements by the leader to his people. Let us remember that in a sick body even a health cell is doomed.

Bloody shambles in the wake of war

By Denis Healey

WHEN President Bush first predicted that the U.N. sanctions against Iraq could lay the foundation for a new world order, millions hoped and believed he might be right. I was one of them. The end of the cold war seemed to have established the habit of cooperation between the superpowers. So the United Nations would be able for the first time to fulfill its intended role — as the framework for a world society in which disputes would be settled without war, if fighting did break out, it could be brought to an end by a United Nations police force.

Six months later things look very different. We now know that within weeks of his speech about a new world order, President Bush had already abandoned the hope that sanctions would work as fast as he thought necessary. Even as he was declaring that the sole purpose of American forces in the Gulf was to deter attack on Saudi Arabia, he was planning to double their number so that he could start bombing Iraq in January and launch a ground attack in February. None of these plans was disclosed in advance to the United Nations, to his coalition partners, or even to his own Congress. He did not disguise his irritation when France and the Soviet Union attempted to find a peaceful solution to the crisis. The war which began on Jan. 16 did not lay the foundation of a new world order — quite the reverse. The Pentagon has claimed that it may have cost 200,000 Iraqi lives. It certainly came close to destroying Iraq as a viable state.

The Gulf war split the European Community and severely strained America's links with Germany and Japan. Bush managed to maintain his relationship with Gorbachev only by securing \$3 billion for Moscow from Saudi Arabia and by playing down American revulsion at the crackdown in the Baltic states. He retained Chinese acquiescence in the war only by abandoning the sanctions imposed after the massacre in Tiananmen Square.

The value of the American-Soviet relationship, however, now looks most uncertain. She-

vardnadze resigned in December because the military criticised him over his concessions to the U.S. on the Gulf crisis and disarmament. Perestroika has failed and the Soviet economy is collapsing. The demand of the Soviet republics for independence threatens to lead to civil war and the disintegration of the union itself. So the U.S. no longer has an effective partner in building a new world order, many voices in Washington are now talking of a Pax Americana instead.

The Pax Americana, however, is an illusion. It seems unlikely that the U.S. will be able even to "restore peace and security" in the Middle East, though it is committed to do so by its own words in Resolution 678, which opened the way for the war.

Iraq is sliding towards the sort of anarchy already ruining the Lebanon, compounded by cholera and typhoid. Kuwait looks more and more like a polluted Beirut. The Shia rebellion in southern Iraq raises in Riyadh as well as Washington the spectre of Iran once more dominating the Gulf — something which Russia and the West spent 10 years trying to prevent by building Saddam Hussein into a military colossus. In northern Iraq the Kurdish revolt threatens to provoke the Turkish invasion of which President Ozal has already given warning. So there is growing speculation that Washington is beginning to see Saddam Hussein as the best of all possible rulers for Iraq.

Meanwhile, American policy for a new security system in the area has become a shambles. Though Iraq occupies the eastern shores of the Gulf and developed good working relations with the Arab Gulf states during the crisis, it has been excluded from the proposed security pact. The contributions of distant Egypt and Syria will depend on massive economic aid from Saudi Arabia, Kuwait and the sheikhdoms of the lower Gulf. Yet it is far from clear that any of the oil states will have enough wealth to spare. Saudi Arabia and Kuwait are already obliged to borrow abroad, and if the Saudis double their pre-war production, as

seems likely, that will require massive investment, and the price of oil may then fall to low for even the domestic needs of the other oil producers; the cost of reconstructing Kuwait is estimated at some \$50 billion.

A solution of the Palestinian problem seems further away than ever. Yet none of the other Arab states could join Egypt in recognising Israel unless a solution is at least seen to be on the way. So the Middle East looks like remaining a dangerous and unstable region into which to continue pouring arms. But although Secretary Baker insisted that "the time has come to reduce arms flow into an area that is already over-militarised," the Pentagon has been planning to sell \$18 billion of arms to the Arab states and Turkey. John Major is not better; Britain will have the largest contingent at the arms fair in Dubai next November; Israel is certain to demand and to get arms to offset such sales. Yet none of the Gulf states has enough men to use sophisticated weapons on this scale. On Aug. 2 last year the Kuwaiti government simply handed over billions of dollars worth of its tanks and armoured vehicles to the Iraqis without firing a shot, although its military attaché in Basra had given it a week's warning of the invasion.

Recognising these problems, Bush is now considering a freeze on arms exports to the Middle East. His officials talk of "rotating thousands of American soldiers through Saudi Arabia for months at a time and conducting large amphibious exercises on the Arabian Peninsula." It seems unlikely that the Gulf Arabs could carry either the financial or political cost of this type of security. Muslim fundamentalists would find it intolerable and the presence of foreign troops has already shaken the stability of Saudi society.

In the end, the financial weakness of the U.S. is likely to rule out the idea of establishing a Pax Americana in the Middle East — or anywhere else outside the western hemisphere. In the Gulf war it took 75 per cent of America's tactical aircraft and 40 per cent of its tanks to defeat a country with

the national product of Portugal. Washington could not have afforded such an effort without pledges of aid from its allies amounting to \$53.9 billion — well above its likely cost. This will never happen again. Nor is the U.S. likely to continue maintaining forces which would permit another action on this scale.

On the contrary. By the time President Bush leaves office, America is likely to owe the rest of the world a thousand billion dollars, requiring an annual payment of some \$70 billion in interest. Until recently this colossal external deficit has been largely financed out of Japanese and German surpluses. Germany's surplus has been wiped out by the cost of assimilating eastern Germany. The Japanese are now repatriating capital to strengthen their own banking system. Without big increases in taxation, which Bush has ruled out, the U.S. will have to make big cuts in its defence spending. Congress's resentment at what it sees as Japanese and German disloyalty during the Gulf crisis will make this even more likely.

Though Japan has promised to provide \$12 billion towards the cost of Gulf crisis, 60 per cent of Americans now see Japan as their main enemy. They are beginning to realise that one reason why Japan is superior to them in civil high technology is because America spends far too much on the sort of military technology which helped to win the Gulf war. When the strains of adjustment to America's debt combine with the jealousy of the "fat cats" in Europe and Japan, there could be a lurch in American foreign policy away from the very idea of a Pax Americana. America can no longer afford that sort of global unilateralism. It is more likely to retreat to a hemispheric isolationism. This could be reflected in economic protectionism, particularly if European farmers wreck the Uruguay round of trade talks. That would bring a new world disorder with a vengeance.

This is not yet inevitable. But it is made more likely by the consequences of the Gulf war. In any case, the hopes of building a new world order through the United

Nations have received a serious setback. For the time being we shall be lucky if we can simply reduce disorder in those parts of the world which have been destabilised by the end of the cold war and the troubles of the Soviet Union, or which suffer from chronic instability, like Africa, the Middle East and southern Asia.

In Europe, the most urgent task is to help Poland, Czechoslovakia and Hungary, at least, to establish stable democracies and social market economies. This will require assistance on a far greater scale than is at present being offered by any western power to any of the new democracies, except by Bonn to eastern Germany. It will also mean offering those East European countries the prospect of joining the European Community, first as associated members, then as full members, one hopes by the end of the decade. The Community will better be able to accept this responsibility if it also accepts as members those East European countries which wish to join — as Austria, Sweden and Norway have already indicated they do. A Community which includes Germany's eastern and northern neighbours will provide a more comfortable framework for a united Germany than the present 12, as Bonn itself has indicated.

The enlargement of the Community need not be incompatible with its sensible deepening, whatever Jacques Delors may claim: at present he is in danger of becoming as irrelevant to the new world as his old antagonist, Margaret Thatcher. Even in its present form, the community has achieved its main purpose, of making war between its members inconceivable. Despite recent American efforts to revive a German militarism which we spent two world wars destroying, Germany is now the least nationalistic of all European states. But with a frontier now on Poland, it is bound, as in the past, to look east as much as west. We may find that Russia has as much reason in the 21st century as it had in the 19th to welcome Germany's contribution to its political and economic life. Meanwhile, the federal model for European

unity looks less attractive every day, with the break-up of the existing federations in the Soviet Union, Yugoslavia and Czechoslovakia. Moreover, with the head of the Bundesbank describing German monetary union as a disaster, Britain has timely warning against premature entry into a European monetary union.

A strong Europe, united from Brest to Brest, and from Crete to Kirkenes, could form at least one essential pillar for a new world order. With luck, Japan might perform a role in the Far East as valuable as Germany in Europe, thus creating another pillar. In the less stable parts of Asia and Africa, however, only the United Nations is likely to offer an acceptable framework for peace and stability. Even so, its present constitution will require drastic revision, particularly if it is to assume a lasting responsibility for security.

The United Nations must be the foundation of any new world order, if only because some of the major problems of the next century will defy handling on a purely regional basis. The greenhouse effect and other ecological dangers are now global problems. We seem to be moving into an age of mass migrations — into Europe from the east and the south, into the U.S. from Latin America and Asia. These will cry out for international regulation and control, particularly since the world's population is doubling every 50 years. Above all, there is the need for global arms control and disarmament before the proliferation of new weapons of mass destruction passes the point of no return.

The prime responsibility for supporting policies through which the United Nations may approach these problems will lie with the richer and more powerful regional groups in the northern hemisphere, working with one another as well as with the peoples of the south. Only if the U.S. and its partners in Europe and the Far East can learn from the mistakes they made in tackling the Gulf crisis may we hope, after all, to see the United Nations create the framework for a new world order. — The Guardian.

Ancient punishment for modern day evils

By Kathy Gannon
The Associated Press

BARA, Pakistan — The architect of a new Islamic order in Pakistan's rugged tribal region has resurrected an ancient method to punish modern-day evils.

Public flogging is the sentence being meted out more and more by orthodox Islamic clerics who are judge and jury in the heart of the Khyber, a virtual no-man's-land where the long arm of Pakistan's civil law doesn't reach and tribal rule by a centuries-old code prevails.

The author of the new order is a diminutive, soft-spoken religious scholar, Maulana Mohammad Mujahid, who wields much influence in the frontier area bordering Afghanistan.

Fierce tribal lords bow low to Mujahid when they arrive at his small, brick-mud house seeking arbitration of intra-tribal dispute or prosecution of an enemy.

Ten months ago, Mujahid said he established a 10-member Jirga, or council of Islamic clerics, to curb Bara's soaring crime rate according to the tenets of Islam. "Crimes were increasing day by day," Mujahid said in an interview. Since then, at least 300 people

have been flogged and hundreds of intra-tribal disputes settled.

Thousands of people crowded into an arid field outside Bara recently to watch the thrashings. Bahadur Khan, an Afghan refugee convicted of rape, was whipped 100 times with a two-inch-wide (five-centimetre-wide) leather strap. Doctors periodically stopped the beating to check the victim, who was carried away at the end of his punishment.

Another Afghan refugee convicted of kidnapping, Mirza Khan, awaited his turn huddled in a corner of his cell — a small dingy room with mud floors and rusty bars. Wrapped in a tattered blanket, 18-year-old Khan glanced nervously at his guards, wondering which one would flog him.

"I'm very sad in here," said Khan.

The cell was shared with seven other people, all of them sentenced to flogging for crimes ranging from drug trafficking to kidnapping.

The council of Islamic clerics found Khan guilty of conspiring to kidnap. His brother, the reputed mastermind escaped.

"I'm not a criminal. I'm here for my brother. He fled," Khan said. His jailor and secretary-

general of the Jirga, Abdul Hamid Afridi, said the youth would receive five lashes for his part in the kidnapping.

Pakistan's late military dictator, President Mohammad Zia Ul Haq resurrected flogging in the mid-1980s to prove his commitment to Islamic law. Zia, who ruled for 11 years, died in a plane crash in August 1988.

Human rights activists condemn public flogging as inhuman and barbaric. Many Islamic scholars say the Muslim holy book, the Koran, intended flogging only as a form of humiliation and not severe punishment.

"Cruelty is not acceptable, but flogging is an Islamic punishment," Mujahid countered. During the past year, tales of people being stoned to death for rape, sanctioned punishment in Islam, have filtered through to Peshawar, the nearest city. None of the reports could be independently verified.

Foreigners need special permission to pass through heavily fortified checkpoints that dot the tribal frontier.

The seat of government in Pakistan is hundreds of miles to the south in Islamabad, centuries ahead of the tribal area. Despite the distance, the Isla-

mic clerics can exert tremendous pressure on the federal government, using their small but powerful religious parties to organise street demonstrations that have in past years destabilised civilian rule and forced the military to take over.

Fundamentalist Islamic clerics hounded former Prime Minister Benazir Bhutto during her 20 months in power. She was declared a heretic after saying that cutting off hands of convicted thieves was barbaric.

Ms. Bhutto tried to appease her fundamentalist critics by shrouding herself in a voluminous veil, thumbing Islamic prayer beads and visiting countless Islamic shrines.

During last year's election campaign, Prime Minister Nawaz Sharif promised to bring all of Pakistan under Islamic law. Now he wants the many sects of Islam to reach a consensus on the shariat bill of Islamic law, before passing it. Most analysts say consensus is impossible.

Some of his more orthodox cabinet ministers have accused him of dragging his feet. Sattar Niazi, the rural development and social affairs minister, resigned after criticising the prime minister for not implementing Islamic law.

Shamir

(Continued from page 1)

the political equivalent of President Anwar El Sadat's visit to occupied Jerusalem in 1977.

The event being considered would be a meeting in which the two superpowers would invite Israel, Palestinian representatives, Egypt, Jordan and, ideally, Syria and the Six Arab Gulf states — Saudi Arabia, Kuwait, Qatar, Oman, Bahrain and the United Arab Emirates — to a ceremonial opening that would be followed by direct talks.

Yeltsin

(Continued from page 1)

That vote helped persuade Mr. Gorbachev to remove troops from Moscow's streets after the massive show of support for Mr. Yeltsin and his reforms.

The troops were deployed Thursday to prevent Mr. Yeltsin's supporters from rallying.

Radical reformers saw the large turnout at Thursday night's rally as a snub of Mr. Gorbachev. "This is, I think, a very clear sign of his absolute loss of reputation and authority in the country," Oleg Kalugin, a former KGB colonel and national law-

maker, told reporters. "I think he just resorted to his last argument, which is military force."

Mr. Yeltsin's supporters defied the ban, holding a peaceful rally after the thousands of troops blocked the demonstrators from marching to their intended site at Manezh Square, next to the Kremlin.

Russian voters overwhelmingly approved a non-binding referendum on March 17 for a popularly elected president. Mr. Yeltsin and his allies want to enact the presidency as soon as possible to help him implement radical economic reforms. The Russian leader has said he wants presidential elections, in which he will run, to be held in late April or early May.

Mr. Yeltsin has been pressing Gorbachev to move more rapidly with political and economic reforms, including a faster move to a free market system that many Soviets believe would ease their economic woes. The two have also clashed over Mr. Yeltsin's insistence that individual Soviet republics should control their own economies and natural resources.

Russian communists accept that a presidential post is needed, but favour a slower approach. "I don't think it's necessary at this congress," Russian Communist Party chief Ivan Polozkov told reporters.



ARAB BANK PLC

CHAIRMAN'S MESSAGE

Dear Shareholders,

Every year around this time, I meet with you to review the financial statements and the Board of Directors' annual report describing the activities of Arab Bank. Since the establishment of your institution, we pledged to maintain Arab Bank as a strong and successful organisation to fulfill its mission in the Arab world. Following the objectives of the founder, the late Abdul Hameed Shoman, we will continue our efforts to preserve Arab Bank's leadership and professional performance so as to provide our customers with the best services, wherever they may be.

I have great pleasure in presenting to you the positive results of your Bank.

Despite the crisis which erupted in the Gulf, Arab Bank was able to increase its profits. Planning and hard work, together with the intensive activities of our worldwide network of branches and affiliates, have made these results possible and enabled us to realize our expectations. As in the past, we have adopted a steady policy of geographical expansion and diversification in the Arab world, Europe, the United States, and the Far East. Our objectives have always been to provide our customers with good advice as well as timely services, to make available for the Bank new investment opportunities, and to hedge against business and country risks.

We, at Arab Bank, will not be discouraged from fulfilling our commitments entrusted to us by the founder of this institution. We have great confidence in the economic future of the Arab world. We will do our utmost to participate in developing the economies of the countries in which we operate, and we will also continue our efforts to expand into other countries.

In 1990, Arab Bank's relations with its correspondents remained strong. But some of the international banks unfamiliar with the Middle East believed they had to suspend their dealings with the region as a result of the contingent circumstances.

Arab Bank was not affected by these precautionary procedures. Its high liquidity was more than sufficient to meet its obligations. The customers' needs for correspondent banking services were met by Arab Bank branches, affiliates, and traditional correspondents. All customers' orders and requests for banking services were successfully met without delay.

You will observe from the financial statements that the total assets of Arab Bank declined slightly at the end of 1990 in comparison with the previous year's figures as a result of our decision to reduce our utilization of funds from the money market.

Arab Bank's liquidity remained higher than that of the local and international norms. Total cash and quasi cash to total assets reached 53.7% at the end of 1990. More-

over, we structured Arab Bank's assets to enable it to have easy access to liquidity.

I am pleased to inform you that 1990 net income increased to J.D. 52.3 million in comparison with J.D. 52.3 million in 1989, representing a growth rate of 19.1%. These results were achieved for the first time in the history of your institution.

The Board of Directors, whose recommendation is shown on page 18, has proposed to the General Assembly the distribution of J.D. 7.7 million in cash dividends, which represents 35% of paid-in capital and the allocation of the balance of the distributable income to the disclosed reserves. Accordingly, the disclosed shareholders' equity in the Bank at the end of 1990 reached J.D. 307 million in comparison with J.D. 252.5 million at the end of 1989. The ratio of shareholders' equity to total assets rose to 5.2% against 4.0% at the end of 1989.

In accordance with the decision of the General Assembly of the Bank on March 30, 1990, the necessary steps were taken with the various authorities to capitalize J.D. 22 million of the Bank's voluntary reserve and issue a share bonus to the shareholders registered on March 29, 1991 - the date of this General Assembly meeting. This is the third time that Arab Bank has distributed share dividends on the basis of one-to-one, which, in itself, confirms the profitable investment in Arab Bank shares. For our part, we will always safeguard the shareholders' capital

as well as the depositors' confidence. Our long history over the years testifies to that.

The term of office of the previous Board of Directors came to an end on March 31, 1990. All Board Members were re-elected with the exception of Mr. Mahmoud Beydoun, who excused himself from being nominated for the next term. Mr. Khalidun Abuhassan was elected in his place. I would like to extend to Mr. Beydoun my sincere thanks for his twenty-four years of service on our Board of Directors. I would also like to welcome Mr. Khalidun Abuhassan to the Board and trust that the Bank will benefit from his experience.

On this occasion, I would like to express my deepest appreciation and thanks to the staff of Arab Bank, its customers, and shareholders. Without their faith, efforts, and support, the continued success of the Bank would not have been possible.

I would also like to extend my best and sincere wishes to each one of you. May God help us to serve you more efficiently.

Abdulmajeed Shoman

Abdulmajeed Shoman
Chairman, Board of Directors

ON THE RIGHT PATH

As it enters the 1990s, Arab banking is no longer what it once was. The recent political developments in the region, namely, the Gulf crisis, have heightened tensions and propelled Arab banking to the forefront.

Although this latest crisis will have severe repercussions on the banking industry in the region, we, at Arab Bank, are firm believers that Arab banking will prevail over the current crisis.

We have witnessed the expected flight of funds to other countries, and we have also seen the suspension of credit lines by international banks that are unfamiliar with the region.

Our positive role in this situation has become more visible. By joining with other Arab banks and attempting to meet their needs as much as possible, Arab banking can accomplish a rapid recovery. Moreover, achieving a more stable financial market in the region requires taking certain steps. In this regard, increasing inter-Arab trade will help to create and develop a real market place. Compliance with international market regulations should provide Arab banks with an entry to international markets. Competing with other financial institutions by creating and employing a variety of new financial products will enable Arab banking to regain lost ground.

Once again, Arab Bank has succeeded in weathering the storm.

Our aims of enhancing the financial standing of the Bank, meeting our social commitments, and participating in the regional economic developments were vigorously accomplished.

The net income of US\$ 100 million was crossed for the first time by Arab Bank Group. Total equity has increased by US\$ 110 million to reach approximately US\$ 903 million. Equity to total assets ratio reached 5.9% and the BIS ratio was above 12%.

We are proud of our hard work, perseverance and loyalty to our customers, which have helped us through the past year. Most importantly Arab Bank was able to maintain local and international confidence. Our stable and conservative policies as well as our diversified presence have proven to be both relevant and wise. The geographical diversification of Arab Bank activities enabled the Bank to meet its obligations to its customers and correspondents.

We are deeply rooted in the Middle East. We will participate in the future endeavours to achieve financial stability and a rapid recovery. The aftermath of the Gulf crisis will bear witness to the fruits of our efforts in bringing a more stable and cooperative banking atmosphere to the region.

Khalid Shoman
Deputy Chairman,
Board of Directors

Balance sheet as of 31st December 1990 and 1989

Assets	31/12/1990 J.D. ('000)	31/12/1989 J.D. ('000)
Cash in hand and at banks	2,590,612	3,313,507
Securities and investments	582,014	441,289
Loans and advances	2,533,928	2,344,626
Customers' liability on acceptances	58,168	54,964
Premises and equipment	35,981	30,944
Accrued interest receivable	75,539	77,914
Other assets	26,984	40,368
Total Assets	5,903,226	6,303,612
Customers' liability on guarantees and letters of credit	1,460,339	1,256,245
Total	7,363,565	7,559,857

Liabilities	31/12/1990 J.D. ('000)	31/12/1989 J.D. ('000)
Deposits and other accounts	5,469,582	5,916,917
Acceptances	58,168	54,964
Accrued interest payable	60,719	71,476
Dividends and remunerations	7,757	7,755
Total Liabilities	5,596,226	6,051,112
Shareholders' Equity		
Capital	22,000	22,000
Statutory reserve	22,000	22,000
General reserve	197,000	154,500
Voluntary reserve	66,000	54,000
Total Shareholders' Equity	307,000	252,500
Total Liabilities and Shareholders' Equity	5,903,226	6,303,612
Guarantees and letters of credit	1,460,339	1,256,245
Total	7,363,565	7,559,857

Khalid A. H. Shoman
Deputy Chairman

Abdulmajeed A. H. Shoman
Chairman

Profit and Loss Statement for the years 1990 and 1989

	31/12/1990 J.D. ('000)	31/12/1989 J.D. ('000)
Revenue		
Interest revenue	595,063	607,708
Less: Interest expense	478,636	503,958
Net interest revenue	116,427	103,750
Non-interest revenue		
Commissions	25,335	22,790
Foreign exchange trading	32,660	19,487
Other revenue	8,685	8,320
Total non-interest revenue	66,680	50,597
Total Revenue	183,107	154,347
Expenses		
Salaries and staff benefits	44,871	40,315
Depreciation of premises and equipment	3,856	3,620
Other expenses and provisions	57,977	41,838
Total Expenses	106,704	85,773
Net income before income taxes	76,403	68,574
Income taxes	14,146	16,319
Net income	62,257	52,255
Appropriations		
To general reserve	42,500	34,500
To voluntary reserve	12,000	10,000
Proposed cash dividends	7,700	7,700
Directors' remuneration	57	55
Total Appropriations	62,257	52,255

Statement of Sources and Applications of Funds for the years ended 31st December 1990 and 1989

	31/12/1990 J.D. ('000)	31/12/1989 J.D. ('000)
Funds provided		
Net income	62,257	52,255
Depreciation of premises and equipment	3,856	3,620
Total funds provided from operations	66,113	55,875
Increase in:		
Deposits and other accounts	---	1,678,765
Decrease in:		
Cash in hand and at banks	722,895	---
Other assets	15,759	---
Total Funds Provided	804,767	1,734,640
Funds applied		
Dividends and remunerations paid	7,755	7,716
Increase in:		
Cash in hand and at banks	---	877,059
Securities and investments	140,725	44,480
Loans and advances	189,302	757,651
Premises and equipment	8,893	13,705
Other assets	---	34,029
Decrease in:		
Deposits and other accounts	458,092	---
Total Funds Applied	804,767	1,734,640

Auditors' Report

To the Shareholders of Arab Bank

We have examined the balance sheet of ARAB BANK (a Jordanian public shareholding limited company) as of December 31, 1990 and 1989, and the related statement of income and statement of sources and applications of funds for the years ended December 31, 1990 and 1989. We conducted our audit in accordance with international auditing guidelines and included such tests of the accounting records and of the system of internal control and such other auditing procedures as we considered necessary in the circumstances. We have obtained the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

The Bank maintains proper accounting records and the accompanying financial statements are in agreement therewith. Furthermore, the financial data presented by the Board of Directors are in agreement with those records.

In our opinion, the accompanying financial statements present fairly the financial position of

Arab Bank as of December 31, 1990 and 1989, and the results of its operations and its sources and applications of funds for the years then ended, in accordance with international accounting standards, and we recommend that the General Assembly approves these financial statements.

Saba & Co.
Amman, Jordan, January 22, 1991

BOARD OF DIRECTORS' 61st Annual Report

Dear Shareholders,

In 1990, Arab Bank Group was successful in achieving a solid financial performance and continued to experience growth in net income, customer deposits, and total assets in spite of the difficult economic atmosphere prevailing worldwide. The Group's positive results were facilitated by the underlying strength of the institution through its financial and managerial resources.

General economic situation

In 1990, the world economy entered a period of adjustment, following eight years of expansion. This period was influenced by three major political events, namely, the Gulf crisis, the continuation of the political changes in Eastern Europe, and the unification of Germany.

The economic slowdown in the United States and the United Kingdom fueled fears that a recession was looming. The pressure for lower interest rates was countered by the inflationary outlook, which intensified with the rise in oil prices. Under these conditions, money market rates in the United States and the United Kingdom became volatile with a downward trend. Short-term Japanese yen and Deutschmark money market interest rates continued to be firm, mainly due to higher inflation.

The foreign exchange market was also unstable. The US dollar fluctuated within a wide range as a result of the expected recession as well as the policies of the Federal monetary authorities. The participation of the United Kingdom in the Exchange Rate Mechanism (E.R.M.) of the European Monetary System helped to strengthen and stabilize the pound sterling.

The Gulf crisis has given the oil-producing developing countries a good chance to improve their current accounts. Non-oil-producing developing countries were burdened with additional costs totalling up to US\$ 6 billion. As fears of world recession intensified, the slump in real prices for agricultural commodities and non-precious metals continued. A further consequence of this situation will be a rise in foreign debt. Heavily indebted countries will have severe difficulties in financing their current account deficits. Commercial banks will meet some

of those needs, but the remainder must be accommodated by scarce funds available from international development banks and foreign aid.

The development of efficient financial markets in Eastern Europe is far from being completed. The search for economic and political equilibrium will be painful, time consuming, and costly. Our wholly owned subsidiary, Arab Bank (Austria) A.G., is actively involved in research and studies on the impact of these developments.

A directive on a common operating license for credit institutions was issued to complement efforts towards the accomplishment of the EC's internal market. The registration of all financial institutions should be completed by 1992. On July 1st, 1990, constraints preventing the free flow of capital were completely abolished in eight member states.

Arab Bank Plc is fully aware of these changes. Resources and efforts are being deployed to benefit from the new opportunities. Advice and consultancy services on investment opportunities in this changing atmosphere are available to our customers upon request.

Overview

Despite the adverse conditions prevailing in the Middle East, the Arab Bank Group performance was exceptionally good. Most strikingly, not only were the Group's profits the highest ever reached historically, but also the doubtful debt allowance was substantially strengthened. Moreover, almost all measures of financial strength have improved during the year under consideration.

The Jordanian dinar, the reporting currency of Arab Bank Plc, the principal entity of the Group, appreciated by 1.6% against the US dollar to equal US\$ 1.504 at the end of 1990 in comparison with US\$ 1.481 at the end of the previous year. The Swiss franc, the reporting currency of Arab Bank (Switzerland) Ltd., another main entity of the Group, strengthened to Sfr. 1.2775 from Sfr. 1.5420 against the US dollar. Given that the functional currency of both entities is the US dollar, it is not expected that the change in the exchange rate will materially impact the comparative analysis.

Except for the utilization of the sum-of-the-year's-digits depreciation method at some branches in place of the straight-line depreciation method for depreciating computer hardware, no other significant change in accounting policies or reporting format took place in 1990.

Results of operations

The earning performance of Arab Bank Group continued to be favourable in spite of the Gulf crisis and the decline in the interest rates on the US dollar and the pound sterling.

Net income

Net income after tax increased by US\$ 15 million to reach US\$ 113.1 million against US\$ 98.1 million in 1989, representing a growth rate of 15.3%. Higher net interest and revenue from foreign exchange trading and from commissions all contributed to this growth. Return on assets ratio improved to 0.86% from 0.76% last year. The outstanding growth rate of net income coupled with the stability of total assets explain the improved efficiency of the Bank.

Return on equity ratio slightly improved to 12.5% from the figure of 12.4% registered at the end of 1989.

Net interest revenue

Net interest increased to US\$ 204.1 million from US\$ 174.8 million in the previous year. Total interest revenue was US\$ 1,013.8 million at the end of 1990 compared to US\$ 994.9 million at the end of 1989. The reduction of interbank deposits and the increase of investments in securities and loan portfolios explain the 16.8% increase in net interest revenue. Accordingly, net interest to total assets ratio also improved from 1.35% to 1.55%.

Non-interest revenue

Total non-interest revenue increased by US\$ 21.2 million, representing a 16.7% growth rate over the past year, to reach US\$ 147.7 million in 1990 against US\$ 126.5 million in 1989.

Non-interest revenue represented 42.0% of total revenue, almost the same level as in the previous year.

Operating expenses

Operating expenses reached US\$

197 million in comparison with US\$ 155.4 million in 1989. A comparative analysis of the components of operating expenses is presented below:

Expenses	in US\$ million		
	1990	1989	Variance
Staff expenses	84.7	73.3	11.4
Depreciation	12.6	6.6	6.0
Provisions & other expenses	99.7	75.5	24.2
Total	197.0	155.4	41.6

The staff expenses represented 43.0% of total operating expenses, depreciation represented 6.4% and provisions and other expenses represented 50.6%. The 90.6% increase in depreciation resulted from a Sfr. 2.2 million decrease in the building book value of Arab Bank (Switzerland) Ltd. Zurich, which was allowed by the local authorities, and from the acceleration of computer hardware depreciation. Provisions and other expenses increased to US\$ 99.7 million and contain a substantial amount allotted to doubtful debt allowance.

Shareholders' equity

At the end of 1990, Arab Bank Group shareholders' equity came to 6.9% of total assets. The capital adequacy ratio for the Group, measured according to the Basle Committee Rules, was around 12%. Moreover, total shareholders' equity corresponded to more than 20% of the loan portfolio.

The increase of US\$ 110.4 million in the shareholders' equity in 1990 enhanced the solid and sound financial position of the Group. Total shareholders' equity reached US\$ 902.9 million compared to US\$ 792.5 million at the end of 1989. US\$ 98.4 million of the growth was capitalized and retained from the distributable income. The balance of US\$ 12 million resulted from the decline of the negative balance of translation adjustments due to the improvement in exchange rates of both the Jordanian dinar and the Swiss franc against the US dollar.

Deposits

The stable customers' deposits composed most of the Group's funds. Some movement of funds from entities operating in the Middle East to other areas, mainly Europe, was observed. The growth rate of total deposits was limited to 0.4% over the previous year. The total balance

of deposits and other accounts increased by US\$ 49.6 million to reach US\$ 12,034.5 million at the end of 1990.

Assets

Total assets reached US\$ 13,131.5 million at the end of 1990, a slight increase over the figure of US\$ 12,978.7 million recorded at the end of 1989. This represents a growth rate of 1.2%.

Loan portfolio

The Group's loan portfolio net of the doubtful debt allowance was US\$ 4,201.3 million, representing an increase of 9.6% over the level of US\$ 3,832.8 million in 1989. The Group was able to manage its holdings in loans and advances positively, reflecting continued expansion in traditional and new products marketing.

Securities and investments

The Group increased its security portfolio to US\$ 983.2 million from US\$ 735.3 million, representing an increase of US\$ 247.9 million or 33.7%. The securities portfolio continued to be dominated by prime government bonds and securities.

Liquidity

The prudent policy of maintaining high liquidity helped the Group to reduce its dependence on inter-bank funds and to meet its financial obligations during the most trying times in 1990. The liquidity ratio (cash and quasi-cash to total assets) was 63.1%, slightly lower than in 1989 when it had been 65.7%. Cash in hand and at banks declined to US\$ 7,309.1 million from US\$ 7,787.2 million. This slight decrease of liquid funds was compensated by an increase of US\$ 247.9 in marketable securities.

Geographical distribution

The geographical distribution of the main financial items of Arab Bank Group at the end of 1990 and 1989 is presented below.

It may be observed that the Group's entities in Europe consolidated their lead in terms of assets 58.0%, loans 41.4%, deposits 58.5% and revenue 54.4%.

Jordan maintained around 11% weight in almost all items except revenue, which declined to 14.6% from 16.1%.

ARAB BANK PLC General Management Amman, Jordan. P.O. Box 950544, 950545 Telephone 560115, 560131 Telex 23091 Facsimile 606793, 606830

Branch	Country (No. of branches)	P.O. Box	Telephone	Telex	Facsimile
Main branches in the Arab countries					
Shmeisani, Amman	Jordan (55)	950546	660131	23094	670564
King Faisal St., Amman		68	638161	21230	637082
Manama	Bahrain (3)	395	255988	8232	210443
Riad Solh St., Beirut	Lebanon (11)	11-1015	868131	22282	868131
Tripoli		379	430111	41920	602383
Saida		199	724501	23661	723925
Sana'a	Yemen (3)	475	240922	2239	263187
Doha	Qatar (2)	172	437979	4202	410774
Abu Dhabi	U.A.E. (8)	875	334111	22257	336433
Al Maktoum, Dubai		11364	228945	46126	285974
Main offshore banking units					
Manama	Bahrain (1)	813	256398	8647	231640
Cairo	Egypt (4)	2006	746218	21401	746185
Singapore	Singapore (1)		5330055	22955	5322150
Main branches in Europe, U.S.A., and Asia					
Nicosia	Cyprus (5)	5700	457111	5717	457890
Paris	France (2)	319	43593434	642443	42890978
Athens	Greece (1)	30357	3255401	219922	3255519
Rome	Italy (1)	745	6840479	624161	6795601
Seoul	S. Korea (1)	1331	7570024	34180	7570124
London	U.K. (3)	138	3158500	887110	8007620
New York	U.S.A. (2)	5377	7159700	238770	5934632

Location	P.O. Box	Telephone	Telex	Facsimile
Representative offices				
Beijing (Peking)	China	5002255 (ext. 3510)	22739	5003275
Tokyo	Japan	35789388	32442	35789359
Sister institutions, subsidiaries and associated companies				
Arab Bank (Switzerland) Ltd.	Zurich	5281	2657111	812279 2657330
	Geneva	1098	7151211	412370 7322480
Arab Australia Ltd.	Sydney		2324133	120620 2215428
Finance Accountancy Mohassaba S.A.	Geneva	1506	7326003	412489 7387229
Arab Bank (Austria) AG	Vienna	100	5134240	135313 51342409
Arab Tunisian Bank	Tunis	520	350147	15293 349278
Oman Arab Bank	Ruwi	5010	706285	3285 797736
Arab Bank Maroc	Casablanca	13810	223152	22942 200233
Arab National Bank	Riyadh	56921	4029000	402660 4027747
Nigeria-Arab Bank Ltd.	Lagos	12807	661955	21973
UBAE Arab German Bank	Luxembourg	115	4650011	2874 474888
	Frankfurt	102239	27150	414249 235471
Arabia Insurance Co.	Beirut	11-2127	363610	21016

Jerusalem, Ramallah, Nablus, Jenin, Tulkarm, Hebron and Gaza Branches in the West Bank and Gaza Strip are temporarily closed and not allowed to function under the Israeli occupation.



ARAB BANK GROUP

Balance Sheet as of 31st December 1990 and 1989

Assets	31/12/1990 US\$ ('000)	31/12/1989 US\$ ('000)
Cash in hand and at banks	7,309,091	7,787,204
Securities and investments	983,212	735,285
Loans and advances	4,201,277	3,832,765
Customers' liability on acceptances	87,485	81,402
Investments in associated companies	269,840	242,682
Premises and equipment	77,373	67,585
Accrued interest receivable	114,484	115,391
Other assets	88,760	116,378
Total Assets	13,131,522	12,978,692
Customers' liability on guarantees and letters of credit	2,353,784	2,039,972
Total	15,485,306	15,018,664

Liabilities	31/12/1990 US\$ ('000)	31/12/1989 US\$ ('000)
Deposits and other accounts	12,034,452	11,984,890
Acceptances	87,485	81,402
Accrued interest payable	91,951	105,856
Proposed dividends	14,767	14,053
Total Liabilities	12,228,655	12,186,201
Shareholders' Equity		
Capital	56,939	86,939
Statutory reserve	78,216	77,255
General reserve	547,604	478,205
Voluntary reserve	159,427	141,379
Reserves with associated companies	174,173	165,572
Retained earnings	4,773	3,429
Total	1,051,132	952,779
Translation adjustments	(148,265)	(160,288)
Total Shareholders' Equity	902,867	792,491
Total Liabilities and Shareholders' Equity	13,131,522	12,978,692
Liability on guarantees and letters of credit	2,353,784	2,039,972
Total	15,485,306	15,018,664

Statement of Sources and Applications of Funds
For the years ended 31st December 1990 and 1989

	31/12/1990 US\$ ('000)	31/12/1989 US\$ ('000)
Funds provided		
Net income	113,120	98,110
Depreciation of premises and equipment	12,643	6,633
Total funds provided from operations	125,763	104,743
Funds from hidden reserves, Arab Bank (Switzerland) Ltd.	-----	19,455
Increase in:		
Deposits and other accounts	35,657	-----
Decrease in:		
Cash and due from banks	478,113	329,150
Investments and securities	-----	180,895
Other assets	28,525	26,789
Translation adjustments	12,023	-----
Total funds provided from changes in assets and liabilities	554,318	536,834
Total Funds Provided	680,081	661,032
Funds applied		
Dividends and remunerations paid	14,053	20,795
Translation adjustments	-----	68,365
Decrease in:		
Capital	-----	3,184
Deposits and other accounts	-----	435,034
Increase in:		
Investments and securities	247,927	-----
Loans and advances	368,512	93,696
Investments in associated companies	27,158	29,489
Premises and equipment	22,431	10,469
Total Funds Applied	680,081	661,032

Profit and Loss Statement for the years 1990 and 1989

	31/12/1990 US\$ ('000)	31/12/1989 US\$ ('000)
Revenue		
Interest revenue	1,013,803	994,908
Less: Interest expense	809,656	820,137
Net interest revenue	204,147	174,771
Non-interest revenue		
Commissions	55,479	47,210
Foreign exchange trading	52,722	32,750
Other revenue	39,454	46,535
Total non-interest revenue	147,655	126,495
Total Revenue	351,802	301,266
Expenses		
Salaries and staff benefits	84,684	73,267
Depreciation of premises and equipment	12,643	6,633
Other expenses and provisions	99,674	75,478
Total Expenses	197,001	155,378
Net income before income taxes	154,801	145,888
Income taxes	41,681	47,778
Net Income	113,120	98,110
Appropriations		
Net income	113,120	98,110
Retained earnings brought forward	3,429	558
From hidden taxed reserves - Arab Bank (Switzerland) Ltd.	-----	19,455
Total	116,549	118,123
To statutory reserve	961	1,158
To general reserve	69,399	75,090
To voluntary reserve	18,048	14,810
To reserves with associated companies	8,601	9,583
Proposed cash dividends	14,681	13,972
Directors' remunerations	86	81
Retained Earnings Carried Forward	4,773	3,429

Auditors' Report

To the Shareholders of Arab Bank.

We have examined the consolidated balance sheet of ARAB BANK GROUP, as of December 31, 1990 and 1989, and the related consolidated statement of income and consolidated statement of sources and applications of funds for the years then ended. Our examination was made in accordance with international auditing guidelines and, accord-

ingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Included in the financial statements are amounts relating to a sister company and certain subsidiaries audited by other auditors whose reports we have reviewed.

In our opinion, based upon our examination and the reports of other auditors, the accompanying financial statements present fairly the fi-

financial position of Arab Bank Group as of December 31, 1990 and 1989, and the results of its operations and its sources and applications of funds for the years then ended, in accordance with international accounting standards.

Seba & Co.
Amman, Jordan, January 22, 1991



ARAB BANK, GENERAL MANAGEMENT, SHMEISANI, AMMAN
P.O. Box 950544 - 5 TELEPHONE 660115 660131
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Liverpool looks to Barnes for magic touch against QPR

LONDON (R) — Liverpool are hoping that John Barnes, enjoying a lucrative new contract, will reward the English Soccer League leaders with another touch of magic Saturday.

After scoring twice in their 7-1 thrashing of Derby last weekend, the England striker will be eager for some more goals in the first division match against lowly Queen's Park Rangers at Anfield.

QPR have not lost in seven games and manager Don Howe has tightened the defence considerably since the clubs met in London last December, with Barnes scoring in the 1-1 draw.

Barnes, who did not impress while playing for England against Ireland Wednesday, will at least be more relaxed after signing on for another year with the defending champions.

"I would rather have John playing with us than against and this might put his mind at rest for the next few months," said Liverpool manager Ronnie Moran. "He has proved over the years that he can win matches with one bit of magic."

Arsenal, one point behind the leaders, will find it hard to forget Liverpool's scoreline when they meet bottom-of-the-table Derby but manager George Graham was not too worried.

"Forget the seven goals — I'm just interested in the three points," Graham said. "There is bound to be a reaction from Derby to a defeat like that so it will just be a question of us rolling up our sleeves and battling for a win."

"We must show some pride and passion to prove how much last week's result hurt us," said Der-

by manager Arthur Cox. The defeat was Derby's worst at home since 1959.

Even though they are playing away, the north Londoners still face a somewhat easier task than Liverpool at home.

Whatever the outcome, Liverpool face a long trip to Southampton on Easter Monday, knowing that Arsenal have two more days rest before they meet Aston Villa next Wednesday.

Third-placed Crystal Palace are also away Saturday, at last-but-one Sunderland, who lost 3-1 to Villa last week.

England striker Ian Wright, a late substitute in the 1-1 draw against Ireland, will be after his 20th goal of the season to keep the south Londoners' slim title hopes alive.

With eight games remaining, they are five points behind Liver-

pool and four behind Arsenal, so draws for the top two and a win for Palace would throw the title wide open again.

Southampton are likely to give defender Jon Gittens his debut against Manchester City following his transfer from second division Swindon while Sheffield United, after an appalling early season, look for a ninth consecutive game without defeat.

United are at home to relegation-threatened Luton, who beat the hosts 3-1 in the F.A. Cup third round in January.

Wimbledon, who entertain Nottingham Forest, will be looking to extend their unbeaten run. And European Cup winners Manchester United have a score to settle at Norwich, the club who last month wrecked their dream of retaining the F.A. Cup.

France go for goals against Albania

PARIS (R) — Michel Platini's France will be looking for a hatful of goals against a weakened and dispirited Albania when the two nations meet in a European Championship Group one soccer qualifier Saturday.

The Albanians, whose request for the match to be postponed because of political chaos in their country was turned down, arrived in Paris Friday a day late and lacking three players lost in Switzerland where a plane connection was missed.

Their trainer Bekush Birce, whose squad was already weakened by the refusal of league leaders Flamurtari to release its players as well as by the defections of other internationals, was somewhat depressed on his arrival.

"We are tired by our disturbed journey," he said. "I don't know how we can get a result with a team which is not very good."

Birce, whose team was thrashed 9-0 in Spain in their last Group 1 game, had only 13 players at his disposal after striker Eduard Kacaci and midfielders Genc Ibro and Lorinc Leskaj were left behind in Geneva. It was not clear whether they planned to continue the journey.

French team boss Platini named a four-man attack Friday, featuring Auvergne winger Pascal Vahirua and Christophe Cocard, in a clear attempt at a landslide victory.

"We must not miss this chance," Platini said. "Let's try to approach it as we always do. Let's try to play, to score goals and to take risks."

France, leaders in Group 1 with maximum points from four matches, could be forgiven for feeling over-confident against an Albanian team which has always been near the rear of the European soccer train and which has

now clearly gone off the rails.

Platini named his former mid-field colleague Luis Fernandez as playmaker for his 50th cap in a 4-2-4 line-up which is highly unusual in this modern soccer age.

His resurrection of that virtually extinct breed, the two-wing attack, will feed Marseille strikers Jean-Pierre Papin and Eric Cantona as well as the nostalgic instincts of the Parc Des Princes crowd.

It is unimaginable that France, unbeaten now in more than two years and with nine wins and a single draw in their last 10 games, should flop this time.

Platini's hard-working team is quietly confident of topping the group and with 10 points from five games would be virtually certain of a place in the finals in Sweden next year.

Birce, by contrast, was left in a state of dismay. "This match has come at the worst time in soccer



Michel Platini history for this country," he said. The fixture, on the eve of the first free elections in Albania, has come after the defection of several leading players to Greece and amid fears that more could soon follow.

Soviets sweep U.S.-USSR amateur boxing tournament

SPOKANE, Washington (AP) — Soviet boxers swept fights in the six top weight divisions to defeat the United States' top amateurs 7-5 in the USA-USSR amateur boxing dual at the Spokane Coliseum.

The match featured bouts in 12 Olympic-weight categories. The American Boxing Federation, which sanctions Olympics-style boxing, sent nine national champions to the meet. The Soviet team featured two world champions and three Goodwill Games gold medalists.

In the super heavyweight category, Soviet champion Eugene Belousov defeated U.S. champion Larry Donald 4-1.

Eugeny Sudakov, the Soviet Union's top boxer in the heavyweight division, decisively defeated Melvin Foster 5-0. Foster was a bronze medalist in the U.S. Championships.

At the 178-pound (81-kilogram) level, Soviet champion Rostislav Zaulichny topped the United States' Jeremy Williams 4-1. Soviet silver medalist Akaki Kakauridze beat U.S. champion Chris Byrd 5-0 at 165 pounds (75 kilograms).

World champion Israel Akopykhian edged American champion Raul Marquez 3-2 at 156 pounds (71 kilograms), while Vladimir Ereschenko, a four-time Soviet champion, defeated Pepe Reilly 5-0 at 147 pounds (67 kilograms).

U.S. champion Vernon Forest broke the Soviet's dominance at

the middleweight levels with a 3-2 victory over European champion Konstantin Tziu at 139 pounds (63 kilograms).

At 132 pounds (60 kilograms), two-time American champion Oscar de la Hoya defeated two-time world champion Ayat Khamatov 4-1, while the United States' Ivan Robinson stopped Kakhaber Baravi 4-1 at 125 pounds (57 kilograms). Both are national champions.

Seles advances easily to hardcourt quarterfinals

SAN ANTONIO, Texas (R) — Monica Seles of Yugoslavia needed only 58 minutes to dispose of Germany's Claudia Porwik 6-1, 6-4 to advance to the quarter-finals of the \$225,000 Women's Hardcourt Championships.

Seles, the top seed in the 32-draw tournament and the world number one woman player, said she was unhappy with her play after having to thwart a late surge by the 80th-ranked Porwik.

"I was not going for my shots," Seles said. "I let her take control of the match. She's a good player, and I was lucky to break back. I do need to take more control of the points."

After breezing through the first set 6-1, Seles was broken in the second at 1-1, winning only one point. Porwik held service then broke Seles again to go up 3-2.

Seles used two-handed groundstrokes and drives to go up 5-3. Porwik held serve to close to 5-4 and then staged off two match points before faltering.

Seles will face American 127th-ranked Erika de Lone in the quarter-finals. De Lone beat Radka Zrubakova 6-4, 6-4 Thursday in the second round.

American Susan Sloane, seeded seventh, used a strong baseline game to beat compatriot Ann Henricksson 6-3, 6-1.

Sloane, ranked 36th, takes on second-seeded Steffi Graf of Germany in the quarterfinals.

Barring upsets, Seles and Graf will meet in Sunday's final. The world's top two players have not met this year, but Porwik, who has played each of them several times in the last year, gave Graf the edge.

Milan to appeal against one-year UEFA ban

MILAN (R) — AC Milan have said they would appeal against a one-year ban from European club soccer competitions following an incident in their European Cup quarter-final second leg at Marseille last week.

"AC Milan, informed of the decision by UEFA's Control and Discipline Committee over the match with Olympique Marseille, informs that it will appeal against the sanction imposed on it," the club said in a statement.

The European Football Union (UEFA) banned Milan for one year, suspended club delegate Adriano Galliani until July 31, 1993, and awarded the match to Marseille for forfeit, 3-0.

Milan, European Cup winners for the last two seasons, walked off the pitch when the floodlights failed and refused to return when the referee tried to restart the second leg tie.

The statement did not specify whether Milan would appeal against all three parts of the UEFA ruling.

AC Milan have until March 31 to present their appeal.

Milan, held 1-1 at home in the first leg, were 1-0 down in the

second leg when floodlighting failed a minute from time.

Galliani said Tuesday he would resign if the club were banned. "I'm ready to resign. I made a mistake through too much love (for the team)," he said.

Veteran right back Mauro Tassotti said: "It's an excessive sentence, undeserved, even if we made a mistake... perhaps if they had let us go back to the changing rooms we would have been able to calm down and maybe played on."

Club President Silvio Berlusconi had been confident Milan, who had had no previous trouble with UEFA during their two-year reign as European champions, would get off lightly.

UEFA Wednesday banned Dynamo Dresden from all European club competitions for two seasons after rioting during the German team's European Cup tie against Red Star Belgrade.

UEFA awarded the March 20 quarter-final match, which was abandoned in the second half, 3-0 to the Yugoslavs but Red Star were also fined 15,000 Swiss francs (\$10,300).

Milan coach may leave at end of soccer season

MILAN (R) — Coach Arrigo Sacchi said he may leave AC Milan at the end of the season and the only job he would accept in the future would be with a national team.

"I told (Club President Silvio) Berlusconi that I might quit coaching Milan," Sacchi said Thursday.

"But I immediately assured him that I would not go to coach any other club side," Sacchi told reporters during an impromptu news conference after a training session at the club's Milanello retreat outside Milan.

"After four years at Milan, I think I have concluded this experience of mine," he said.

Sacchi guided Milan to the Italian first division championship in 1988 and the European Cup and world cup titles in 1989 and 1990.

"Milan's results do not come into this issue. I've had incredible

satisfaction with this team," Sacchi said.

AC Milan were knocked out of the European Cup last week and a recent string of poor league results has left them five points adrift of leaders Sampdoria.

On Wednesday they were banned from European competition for a year after refusing to play on when floodlights failed moments before the end of their European Cup defeat in Marseille.

Sacchi, whose contract runs until mid-1992, said his decision was for personal reasons.

He said he would not leave because of any problems with players, including Milan's Dutch trio Ruud Gullit, Marco Van Basten and Frank Rijkaard.

"Van Basten has openly criticized Sacchi's tactics in the past few months," he said.

Sacchi said he had three options: To stay at Milan, give up soccer or take on a national team.

Sainz leads Safari Rally

NAIROBI (AP) — Carlos Sainz of Spain held out to the lead Friday in the 39th Safari Rally as Japanese Toyota GT4s and Italy's Lancia Integrale fought for dominance.

Sweden's Bjorn Waldegard, the defending champion, was close behind Sainz in another GT4 in the six-day race that began Wednesday in Nairobi.

Finland's Juha Kankkunen driving a Lancia Integrale held the third position, followed by Argentina's Jorge Ricalde in the last of the original three Lancias still running.

The third Lancia, driven by

Italy's Massimo Biasion, dropped out of the 4,500-kilometre (2,790-mile) race after a collision with a truck in the second leg Thursday.

Biasion's accident was the second in the rally. On Wednesday, cars driven by Briton David Llewellyn and Kenyan Alwi Hassan abandoned the race after they collided.

Sainz, the current world champion, won the first leg Wednesday to the Indian Ocean port of Mombasa where the vehicles stayed overnight. He repeated the feat on the second leg to Nairobi on Thursday and was first off the ramp Friday morning.

HOROSCOPE

FORECAST FOR SATURDAY MARCH 30, 1991
Thomas S. Pierson, Astrologer, Carroll Righter Foundation

ARIES (March 21 to April 19) Make plans with good friends early but later do nothing of a social nature that could cause any upset in your present satisfactory relationship.

TAURUS (April 20 to May 20) Attend early to those outside chores or worldly obligations and then you are able to quietly do the things that can free vital time in the future.

GEMINI (May 21 to June 21) You have some new situation that you can do considerable amount in the morning but then quickly return to usual duties that you understand and are at home with.

MOON CHILDREN (June 22 to July 21) Whatever you have in mind that does necessitate a conversation to clear up in some annoying details is OK early after which do nothing.

LEO (July 22 to August 21) Get that new agreement with partners the first thing in the morning and then carry through without referring situation to this associate later.

VIRGO (August 22 to September 22) You have some pretty clever means by which to get work done early so you can later take things easy and build up your health and well-being.

LIBRA (September 23 to October 22) Take some time out now to have some pleasant times early for late aspects change and it is necessary that you do refrain from being with unreliable persons.

SCORPIO (October 23 to November 21) If you have anything important to do, do it early for later you find that all kinds of annoyances can arise to annoy and disturb you today.

SAGITTARIUS (November 22 to December 21) This is the moment for you to show that you are the one who does your assignments quietly and without raising anger with anyone else.

CAPRICORN (December 22 to January 20) Whatever you have in mind that is financial in its nature requires careful and astute handling now so avoid extravagance and frivolity.

AQUARIUS (January 21 to February 19) Take some time out to get yourself in the pink of condition this day in both health and appearance and avoid some social groups where trouble could ensue.

PISCES (February 20 to March 20) A day to make sure you get rid of all the personal and initiate little problems facing you and to sidestep the limitations that cause trouble.

Today's child: If your child were born today she or he is apt to be quite shy and will need to be brought out tenderly and carefully to avoid damage that may result from exposure to the wrong persons. In later years this child will have an unusual ability to aid others in finding their right niche in this world.

"The stars impel, they do not compel, what you make of your life is largely up to you."

THE BETTER HALF.

By Harris

HARRIS 3-31

"If these flowers don't calm down my wife, we can use them for my funeral."

JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

BARRO
PYPIN
RETANB
VORREF

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: "OOO"

(Answers tomorrow)

Yesterday's Jumbles: TACKY PIECE DAMASK COUGAR
Answer: That idiot thought he should go to the hospital when he finally happened — AN IDEA "STRUCK" HIM

THE Daily Crossword

by Richard Thomas

ACROSS
1 One of the three Bs
5 T.S. or George
10 Sailors' saint
14 Winglike
15 Detection device
16 — down (demolish)
17 J.P. Jones' ship
20 Craving
21 Tenses
22 Use credit
23 Anguine
25 Mule driver
26 Period of immaturity
28 Footfall
29 Cottonwood
30 Prison
31 Acronym for weekend lovers
35 Early US general
38 Nights before
39 Paired
40 Employed
41 Scot. queen
42 River craft
43 Religious
47 Cuts
48 Tropical lizard
49 Griffin
50 Heel
51 1775 battle site
56 Release
57 Error
58 Overt
59 Gamestone
60 Mount
61 Office item

DOWN
1 Cradle
2 Bismarck
3 Kindly abbr.
5 White weasel
6 Elve young
7 March time
8 Paddle
9 Deception
10 Early Allan
11 Discover
12 Dancer
13 Champion
13 Command
18 Early trail
19 Golf shot
24 Some parents
25 Wasp wound
26 Monk
27 Norse king
28 Heartless
30 Porlion
31 Corrupt
32 Equilibrium device
33 Arrow poison
34 Govt. agts. occupant
36 Tribulations
37 Spindle part
41 Make money
42 Having a certain surface
43 Arroyo
44 Gr. market
45 More certain
46 Filled to the brim
47 Intuit
49 Sully
51 Ice and iron
52 Cold and wet
54 "A — may look on a king"
55 Hot, or run

GOREN BRIDGE

WITH OMAR SHARIF & TANNAH HIRSCH
©1990 Tribune Media Services, Inc.

A WINNING LOSER

Both vulnerable. South deals.
NORTH
♠ K 4 3 2
♥ 5
♦ Q 9 5 4 2
♣ K J 5
WEST
♠ Void
♥ J 9 7 3
♦ J 10 6
♣ A Q 9 7 3 2
EAST
♠ J 10 8 5
♥ K Q 10 6 4 2
♦ Void
♣ 10 6 4
SOUTH
♠ A Q 9 7 6
♥ A 8
♦ A 8 7 3
♣ 8

The bidding:
South West North East
1 ♠ Pass 4 ♠ Pass
6 ♠ Pass Pass Pass

Opening lead: Ace of ♠

Some hands are deceptive by their very simplicity. The winning line on this hand involves no complicated play, yet we would wager that most players would overlook it.

The auction might not be described as a thing of beauty. However, it did get North-South to an excellent spade slam. Even though six diamonds is the superior contract, it is by no means easy to reach

once the 5-4 spade fit is uncovered. West led the ace of clubs and continued the suit. Dummy's jack held, and declarer discarded a heart from hand. Since only a 4-0 trump break would endanger the hand, declarer correctly cashed the king. Foresight was rewarded when West discarded a club.

On a low spade lead from the table, East split his spade honors, declarer's queen winning. Now South had to return to dummy to repeat the trump finesse, but on a diamond lead to the queen, East ruffed for down one. Tough luck, or was it?

As so often happens, declarer had made a fatal error on an early trick. Instead of discarding a heart on the jack of clubs, declarer should have stuffed a diamond—that "useless" heart had a key role to play.

Later, once West had shown out on the first trump lead, declarer would have had an easy and perfectly safe way to get to the board. South could have cashed the ace of hearts and ruffed a heart, and there would still have been a trump in dummy for a third-round lead of the suit. Once trumps were drawn, the rest of the hand would be high-

Andy Capp

WHERE SHALL I PUT THIS SNOOKER CUE? I'VE BEEN TRIPPIN' OVER THE BLOOMIN' THING

LEAVE IT THERE, PET. I'LL BE NEEDIN' IT THIS EVENIN'

AGAIN?

FLIPPIN' MARVELOUS, ISN'T IT?—

STEVE DAVIS PLAYS ALL THE TIME, AN' WHAT APPENS? EVERYBODY SAYS WHAT A NICE LAD 'E IS

Mutt'n' Jeff

JEFF, WHAT CHA DOIN'?

I'VE BEEN WORKING ON AN ATOMIC SLEEPING MEDICINE — MAKES YOU SLEEP SOUNDLY!

SLEEP SOUNDLY? DO YOU KNOW WHAT ATOMIC IS?

IT'S—ER—SCIENCE!

DO YOU KNOW WHAT SCIENCE IS?

SCIENCE? THAT'S—ER—PANTS' SUSPENDERS!

PANTS' SUSPENDERS? WHAT'S PANTS' SUSPENDERS GOT TO DO WITH SCIENCE?

WITH THE LAW OF GRAVITY? WHERE WOULD OUR PANTS BE IF IT WASN'T FOR OUR SUSPENDERS!

SOUND SLEEP?

Gulf war gives airlines their toughest time in forty years

GENEVA (R) — Airlines lost more than \$2 billion in the first two months of 1991 as the Gulf war pushed up the cost of fuel, insurance and airport security and scared away passengers, the International Air Transport Association (IATA) has said.

"This has been the industry's most difficult period in more than 40 years, and the effects will be felt for a long time," Guenter Eser, director-general of IATA said in a statement.

Losses in February alone were estimated at well over \$1 billion, said IATA, which represents 201

airlines around the world. "The Gulf crisis was the driving force, but other economic factors were at work as well, including the slowdown in the United States economy," an IATA official said.

February saw an average 17 per cent fall-off in traffic worldwide, compared with the same month last year, IATA said.

Middle East airline traffic was down 49 per cent, European activity off 16 per cent and North American traffic down 17 per cent.

January traffic generally was 12

per cent lower than it had been a year earlier.

IATA said 21,400 flights around the world were cancelled last month, six per cent of the total. The cancellations included 6,600 by Middle Eastern carriers, 12,000 by European airlines, 2,000 by North American companies.

Cancellations in January totalled 15,400.

Middle Eastern operators lost \$100 million in February. Europeans lost \$640 million, while losses in North America and the rest of the world each amounted to \$100 million, IATA said.

Renault profits plunge 87%

PARIS (R) — French carmaker Renault, blaming falling market share, a drop in productivity and heavy exceptional charges, has announced its 1990 profit plunged 87 per cent.

Regie Nationale des Usines Renault said net attributable profit sank to 1.21 billion francs (\$210 million) in 1990 from 9.29 billion francs (\$1.6 billion) in 1989.

Sales fell to 163.62 billion francs (\$28.5 billion) from 174.48 billion francs (\$30.8 billion).

While 1990 was a poor year for many European carmakers, with consumers holding off on car

purchases during the Gulf crisis, state-owned Renault's profit was even worse than estimates recently floated by its own managers.

Louis Schweitzer, Renault's managing director, told reporters that the car maker's share of the European market slipped to 9.9 per cent in 1990 from 10.4 per cent.

This was made worse by a 1.3 per cent decline in the overall European market, he said.

Renault lost market share in both France and Spain, its main strongholds, the executive said. Renault's share of the French

market shrank to 27.9 per cent from 29.2 per cent, while in Spain it slipped to 16.6 per cent from 19 per cent.

Renault's productivity, which grew eight per cent in 1989, fell by about five per cent last year, he said.

Schweitzer said that despite the drop in the car maker's operating margin, its performance remained average among European manufacturers — not as strong as Peugeot S.A. or General Motors Europe, but stronger than Ford's European unit at Volkswagen A.G.

EC official says mark should not be a reserve currency

BRUSSELS, Belgium (AP) — The Deutschmark is not strong enough to oust the U.S. dollar and the Japanese yen to become the single reserve currency for the 12-nation European Community (EC), a top EC official has said.

EC Industry Commissioner Martin Bangemann said that although the mark is the strongest currency in Europe, "even a strong mark is not strong enough to hold its own against

the dollar and the yen" as reserve currency.

Reserve currencies like the yen and the dollar, the money of two economically strong countries, are held by governments and other financial institutions for international transactions and other uses.

"The deutschmark would eventually come under excessive strain," Bangemann said in a speech to the German Forum in

Bonn.

The 12 EC members launched the first stage of a plan for a single currency and central bank last July. Most EC members agree that the eventual single currency should be the new European Currency Unit (ECU) rather than an existing national currency like the mark.

"The EC needs its own European currency that carries weight internationally," Bangemann said.

World Bank gives IDA \$275 million

WASHINGTON (AP) — The World Bank announced that it will put \$275 million from its surplus into its fund for the poorest countries, called the International Development Association (IDA), to help them meet costs due to the Gulf war.

It will give another \$33 million to the new global environment trust fund, set up last year by industrialised countries.

The rest of the surplus earned in the year that ended June 30, amounting to \$750 million, went into the bank's reserves. The World Bank group's largest element, the International Bank for Reconstruction and Development (IBRD), is owned by 155 governments, with the United States holding the largest block of shares. It earns most of its profit by borrowing on world markets.

Egypt pinning hope on \$400 m social fund to cushion reforms

CAIRO (R) — Egypt plans a \$400 million quick fix to create jobs while it makes a painful switch from years of central planning to a market economy.

The cash will be distributed through a social fund, formed by the World Bank and expected to start up in June.

Hamed Al Mubarak, who became head of the fund this month, said international donors had pledged in principle around 70 per cent of the fund's \$400 million target and more was on the way.

"It's designed to help vulnerable people during economic reform and restructuring," he told Reuters.

Mubarak is the cousin of President Hosni Mubarak.

The fund will finance labour-intensive projects in the private sector such as kerb, gutter and

pavement building for streets, hooking water up to houses and rubbish collection, said Robert Wildeman, head of a World Bank delegation that has spent the last two weeks in Cairo working out details.

It will also make loans to small businessmen and companies to help them expand and hire workers.

Western economists said Egypt's move toward a free market will inevitably entail price increases and the loss of jobs, especially in inefficient state-owned enterprises.

Wildeman said the fund would rely on local authorities and business groups as much as possible to pinpoint projects. "The local community knows best where it is hurting," he said.

Another goal would be to rush

in spare parts to get idle equipment running again as quickly as possible. One target was the public bus system. According to economists, some 800 buses in Cairo alone are faulty.

The social fund will complement a World Bank structural adjustment loan that was tentatively approved last week and could value as much as \$550 million.

The loan will be a direct cash transfer to support the government's budget. It will be released when Egypt signs an accord on economic reform with the International Monetary Fund.

Diplomats were told at a briefing on March 19 that potential donors to the social fund would be invited to a meeting in May to make firm cash pledges.

Wildeman said the World Bank

was trying to talk other donors who have earmarked separate funds for Egypt into spending these on projects related to the fund to avoid duplication of effort.

Among these are the Japanese, who plan to give Egypt \$65 million in aid, and the European Community, which plans to give \$240 million, Wildeman said.

Project members said reasonably firm pledges included \$50 million from the Arab Fund for Social and Economic Development, \$50 million from the Kuwait Fund for Arab Economic Development, \$55 million from the U.S. Agency for International Development, \$70 million from the World Bank and \$10 million from Sweden.

Norway, Germany, Switzerland and Denmark have also made offers, officials said.

Germany ousts U.S. as world's top exporter

GENEVA (R) — Germany celebrated unification by overtaking the United States as the world's leading exporter in 1990, the GATT world trade body has said.

A 16.5 per cent rise in the exchange rate of the mark against the dollar helped raise the dollar value of German merchandise exports to \$421 billion, compared with \$394 billion for the United States, a report by the General Agreement on Tariffs and Trade (GATT) secretariat said.

Unification added \$22.5 billion to German exports in 1990, when all exports of the former East Germany were counted in the overall total.

The United States recorded a greater increase in export volume at 8.5 per cent against only 1.5 per cent for Germany.

Japan kept third place with exports up 4.5 per cent to \$286 billion.

The report was a preliminary estimate of world commerce in 1990 compiled by the secretariat of the 101-nation GATT from data on hand in early March. Saudi Arabia recorded the big-

gest jump in export rankings to 21st place from 25th as earnings rose by nearly 40 per cent to \$39 billion, due to sharply higher oil exports and prices for crude oil.

All Western Europe apart from Sweden boosted export values well above the average world increase of 13 per cent, with currency appreciation against the dollar playing an important role.

Austria had the highest growth among the top 25 exporters with an increase of 28 per cent in value over 1989, helped by surging exports to Germany. Brazil and the Soviet Union recorded absolute declines of nine and 5.5 per cent, respectively.

China's imports fell in value by 8.5 per cent while exports grew 18 per cent, resulting in a shift in its trade balance to an \$8 billion surplus in 1990 from a \$6.5 billion deficit in 1989.

Depreciation of the dollar against the French franc helped lift France into a tie for third place with Japan amongst leading importers, both registering totals of \$234 billion, the GATT report said.

New claims for unemployment benefits in U.S. remain high

WASHINGTON (AP) — The number of new claims for unemployment benefits remained above the half-million mark for a second consecutive week in March, something that had not happened in more than eight years, the Labour Department said Thursday.

The department said that 510,000 people filed initial claims for state unemployment insurance in the week ending March 16, after 519,000 claims filed in the previous week.

While the number of new claims can be erratic from week to week, analysts said the high levels suggested that the recession was continuing in March despite other, more favourable reports showing a big jump in consumer confidence and signs of life in the housing industry.

"There is a recovery out there in the not-too-distant future, but it is not in the immediate future," said Bruce Steinberg, an economist with Merrill Lynch financial firm in New York. "We still have a few more months of lousy economic numbers to go through."

In a separate report Thursday, the Commerce Department said consumer spending, depressed for months, rose by 0.6 per cent in February, primarily on the strength of higher automobile sales.

The rise in consumer spending was the biggest since a 0.8 per cent increase last September, but economists were unimpressed. They said the gain was primarily a reaction to the severe 0.6 per cent spending drop in January.

They noted that Americans' income growth remained depressed last month, posting a tiny 0.2 per cent gain after having fallen 0.4 per cent in January.

Disposable income — after-tax income after accounting for inflation — looked even more lackluster, rising by just 0.1 per cent in February. It had fallen by 0.9 per cent in January.

Analysts attributed the weak income growth to the rising level of unemployment, which hit a four-year high of 6.5 per cent in February. They predicted it would climb to 6.7 per cent or higher in March based on the

large increase in jobless claims so far this month.

The Bush administration has been predicting that the recession, which pushed overall economic growth down by 1.6 per cent in the October-December quarter, will end by midyear.

But economists said for the turnaround to occur, the weekly jobless claims level will have to start shrinking rather than expanding.

Unemployment claims are now at the highest level since January and February of 1983, a period when the country was just beginning to pull out of the steep 1981-82 recession. Jobless claims hit a weekly high of 676,000 during that downturn, which saw unemployment climb to a post-depression record of 10.8 per cent.

Economists said they believed the jobless rate in this downturn will not go higher than seven per cent, but they also said a variety of factors will dampen the ensuing recovery, making it much less robust than the typical rebound.

Exports push up Japan current account surplus in February

TOKYO (R) — Strong export growth helped to push up Japan's unadjusted current account surplus 26.35 per cent in February, fuelling fears Japan will pile up even bigger surpluses in the months to come.

The finance ministry reported Friday that the surplus had wide-

ned to \$6.09 billion in February from \$4.82 billion a year earlier. The current account is the broadest measure of trade in goods and services.

"A monthly increase is going to be the rule this year, not the exception," said Paul Summerville, economist at Jardine Fleming

Securities Ltd., Tokyo branch.

The Japanese government has been trying to narrow the surplus under pressure from its major trading partners and has been succeeding. Japan's current account surplus for the first 11 months of the current fiscal year ending on March 31, totalled \$29.5 billion, down nearly 35 per cent from the same period a year earlier.

Summerville and other economists said recent data suggested years of progress in trimming the current account might be over.

The current account measures trade in merchandise plus invisible trade that includes services, insurance, tourism and remittances.

Within the overall current

account, the merchandise trade surplus swelled to \$6.89 billion in February from \$5.35 billion a year earlier.

Exports climbed 12.19 per cent to \$24.29 billion against \$21.65 billion last year. The increase marked the ninth consecutive month of export growth, the last five of which have been in double figures.

Economists said the healthy exports resulted from strong demand for Japanese products in Asia and Europe and the lingering effects of a weaker yen last year.

Many of the goods delivered in February were contracted for in the middle of last year, when the yen was weaker and Japanese products were less expensive in foreign currencies.

Iranians scramble to beat air fare rise

TEHRAN (R) — Iranians planning to travel abroad are scrambling for bookings to beat a big price rise set for April 3.

Iran Air's new fare schedule, published in the local press, showed increases from 21 per cent on the Tehran-Dubai route to 897 per cent on flights to Tokyo.

The newspaper Kayhan said higher prices are also expected in domestic air fares. "From now on air travel will be the exclusive domain of the rich," Ali Abdezhadeh, managing director of the state-run domestic Asman Airline, told Kayhan.

The increases result from a change in regulations by the central bank which values the rial at drastically different rates for different purposes.

Iran Air will in future buy foreign currency at the "competitive" rate, 600 rials to the dollar, instead of the old official rate of 68 rials. A third "open market" rate values the rial at 1,350 to the dollar.

A round-trip ticket to Tokyo will cost nearly 1.6 million rials (\$1,140 at the open market rate) — more than a year's salary of many civil servants.

The increases are not as much as the rate change because the government has abolished a 200,000 rial ticket tax.

The new currency rule applies to foreign airlines as well. They are expected to follow with similar price rises for Iranian travellers. Foreigners already pay in hard currency.

Yugoslavia may face problems with large debt repayments

BELGRADE (R) — Yugoslavia may face problems making scheduled repayments on its \$18 billion foreign debt because of its political crisis, a senior central bank official said in an interview.

Zarko Trbojevic, vice governor of the National Bank of Yugoslavia, said the flow of hard currency into the country had slowed and Yugoslavia badly needed a new standby agreement with the International Monetary Fund (IMF).

Yugoslavia's repayments of principal and interest this year should be \$4.8 billion, he said in the interview with Tanjug news agency, published by the Borba newspaper.

"At a time when industrial output is falling and exports are unsatisfactory, this puts a sizeable burden on currency earnings," Trbojevic said.

"It can also be said with great certainty that considerable help from foreign creditors will not materialise if there is no radical reduction of political tensions in this country. One does not even dare think about the situation we will be in if there is not enough currency to repay foreign loans," he pointed out.

He said the situation could be remedied if the political crisis eased and the IMF granted Yugoslavia a \$1 billion standby loan that would clear the way for about \$2.5 billion in loans from other lenders.

Yugoslavia has been plunged into crisis by disputes among its six republics and many ethnic groups.

Their rivalries have blocked the way to agreement with the IMF, which says it will grant the

loan only if the republics accept the Yugoslav government's Western-style economic reforms. The independence-minded republics, led by Slovenia and Croatia, have blocked several key reforms because they oppose greater federal control of the economy.

A key dispute concerns the republic's contributions to the federal budget, especially to defence spending.

Yugoslavia's political crisis has set back economic reforms so much that its economy could fall behind the rest of Eastern Europe, Western and Yugoslav economists said.

Yugoslavs have long enjoyed better living standards, a wider choice of goods and better business opportunities than most of their Eastern European neighbours, largely thanks to big Western loans after it split with the Soviet Union in 1948.

But two weeks of political chaos that have paralysed the collective presidency, the highest state body, have worsened an economic crisis in which reforms are blocked by ethnic rivalry,

inflation is soaring and foreign debts are a huge burden.

Yugoslav economists said street protests in Belgrade last week and the presidency crisis had increased economic problems. They said living standards were already falling rapidly.

"The crisis has increased uncertainty among domestic enterprises and foreign investors because nobody can plan in the medium, let alone the long-term," said Ljubomir Madjar, an expert at the Belgrade Institute of Economics.

"It has reduced the ability of the government to form and implement policy and laws are being respected by the republics less and less," he said.

Madjar said key problems were annual inflation which hit 120 per cent last year, losses by Yugoslav companies which he put at eight to \$10 billion in 1990, an \$18 billion foreign debt and falling industrial output.

"The economy has to keep going because people have to live. But can it run efficiently? The answer is no," he said.

HOLY WEEK AND EASTER

Palm Sunday March 31	8:00 am Holy Communion
	6:30 pm Eucharist with Blessing of Palms
Maundy Thursday April 4	5:00 pm Eucharist with Washing of feet
Good Friday, April 5	6:00 pm Good Friday Service (Arabic/English)
Holy Saturday, April 6	8:00 pm Easter Vigil with Renewal of Baptismal Vows
Easter Day, April 7	6:00 am Dawn Service at Mount Nebo
	6:30 pm Easter Eucharist

Tel: 628543

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TODAY AT

Cinema Tel: 625155

RAINBOW

Adel Imam — Mirvat Amin in

TIT FOR TAT

(Arabic)

3:30, 8:30 p.m.

Cinema Tel: 677420

CONCORD

Duraid Laham — Madlin Tabar in

Kafroon

Show: 3:30, 8:30, 10:30 p.m.

Cinema Tel: 634144

PHILADELPHIA

KARATE KID II

Show: 12:30, 3:30, 8:30, 10:30 p.m.

Cinema Tel: 675571

NIJOU

Adel Adham & Najwa Fuad in

THE REVENGE

(Arabic)

12:30, 3:30, 8:30, 10:30 p.m.

Cinema Tel: 699238

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7 killed in Natal South African judge to probe Daveyton clash

JOHANNESBURG (AP) — Seven people were killed in a tense township in Natal province, police said Friday, and the justice minister ordered a judicial inquest into the Daveyton clash that killed 13.

Police said two hacked and stabbed bodies were found in the Ndeleni township in Natal Thursday, and five men were fatally shot in a township dwelling.

The killings came on the eve of the Easter holiday, when blacks who have left their homelands and townships to work in other parts of the country return to visit their families.

Police described Ndeleni as tense.

Natal has been torn by years of fighting between supporters of the African National Congress and the Inkatha Freedom Party, the two largest black opposition groups, in which more than 5,000 people have died.

Conflict in Ndeleni in January caused hundreds of residents to flee the area. The latest trouble began when more than 300 ANC supporters returned in buses Wednesday, the South African Press Association reported.

An ANC official said the con-

tingent received a hostile reception, claiming shots were fired at the buses as they approached Ndeleni.

Police spokesman Lt. Henry Budhrum said the two people found dead Thursday were believed to be Inkatha supporters. No details were available on the identities of the five bodies discovered Friday.

Chronic violence, mostly black faction fighting, spread to the Johannesburg area from Natal last August, killing more than 1,000 people. Despite pleas for peace by black leaders, the conflict has continued.

Recent fighting between Inkatha and ANC supporters in the Alexandra and Tembisa townships killed scores of people. Last Sunday, police lashed with armed ANC supporters in Daveyton, east of Johannesburg, near a township stadium where Inkatha was holding a rally.

A white policeman was hacked and stabbed to death, and police gunned killed 12 blacks. Dozens of people were injured.

Police said they opened fire in self-defence when the ANC supporters attacked them. ANC offi-

cial said police told the crowd of about 200 people to disperse then began shooting without provocation.

Justice Minister Kibie Coetsee announced a judge would be appointed to investigate the incident, the worst clash in months involving security forces.

Sikilar inquests into two shooting incidents involving security forces in the Sebokeng township last year concluded police and soldiers opened fire without permission.

Coetsee said he wanted the Daveyton inquest to begin quickly because previous investigations were held too long after the incidents, resulting in a loss of evidence.

The ANC has accused security forces of instigating township violence to destabilise opposition groups. The government denies the charge.

The ANC-Inkatha clash has tribal and political roots. Most Inkatha supporters are Zulus, while Zhosas and other blacks make up the bulk of ANC supporters.

Both groups oppose apartheid but differ on how to establish a non-racial South Africa.

EC aid programme for Soviet Union stalled

BRUSSELS (R) — An urgent food aid programme for the Soviet Union announced by the European Community before Christmas appears still to be stalled while the EC checks the information from Moscow about who will get the food.

The programme worth nearly \$1 billion in food aid and credits was announced in December at the EC's Rome summit, but had still not got under way by Easter Friday.

"It is my impression it could be some time before any of it (the food aid) moves," said an official of the Catholic charity Caritas, one of the private agencies through which the aid would probably be channelled.

A Brussels-based Western diplomat said the EC's Executive Commission was struggling to get clear indications from Moscow on the identities of end users for 80,000 tonnes of food planned as a first portion of what is supposed to be emergency aid.

"They get lists of warehouses and factories when what they want are names of old people's homes, orphanages and so on. They don't want aid to disappear or end up with the army," he said.

A commission official acknowledged that the EC executive still had to check that aid requested would reach the right hands.

The official said Moscow had sent new lists of aid destinations at the end of last week in response to commission requests for greater precision, but the information was all in Russian and was taking time to analyse.

A spokeswoman at the Soviet embassy said the commission now had all the information it needed and that aid deliveries should start by the end of April.

The food aid, especially meat, baby food and milk powder, was planned to help the Soviet Union through the winter, but the embassy spokeswoman said: "The need is still as great as before. Our spring is like January here."

Asked whether the Soviet Union really needed food aid on the scale offered by the EC, she said this was "difficult to say" because the Soviet food distribution system had broken down.

EC leaders at the Rome summit, eager to shore up President Mikhail Gorbachev's tottering reform programme, pledged up to 250 million ECUs (\$300 million) in guarantees for commercial bank loans for Moscow to buy EC food.

Work on the Soviet credit guarantee programme — but not officially the direct food aid scheme — was held up for weeks in protest at the deaths of 22 people in January.

The Caritas official said the main problem is distributing aid in the Soviet Union was the absence of any tradition of benevolent organisations.

Such groups existed in certain areas such as Vilnius, the Lithuanian capital, but in Moscow and other cities many supposedly charitable associations were inexperienced or were linked to the army, he said.

The Caritas official said that to avoid aid going astray it might be necessary to allocate it in small portions to individual needy families identified by Orthodox priests or other Christian activists.

A Soviet delegation led by Yuri Chumakov, deputy minister for foreign economic relations, made progress in talks about the food credits with commission officials in Brussels this week, the Soviet spokeswoman said.

Soviet foreign minister in Tokyo to prepare for Gorbachev visit

TOKYO (AP) — Soviet Foreign Minister Alexander Bessmertnykh arrived Friday to prepare for Soviet President Mikhail Gorbachev's visit next month, the first-ever trip to Japan by a Soviet head of state.

Bessmertnykh said he would lay the groundwork for a successful summit between Gorbachev and Prime Minister Toshiki Kaifu, despite a territorial dispute that has prevented the signing of a peace treaty to formally end wartime hostilities between the two nations.

"I will try to examine and find solutions for the most difficult problem existing between our two countries," Bessmertnykh said after arriving.

"Upcoming meetings (in Tokyo) ... will provide solid ground for realising an effective summit between the Soviet and Japanese leaders," he said.

In recent weeks, officials in both countries have cautiously indicated they hope to resolve the 45-year-old dispute over the Kuril Islands during Gorbachev's visit.

Japan has said settlement would pave the way for the signing of a peace treaty, the prerequisite for increased investment and aid for the ailing Soviet economy.

After Gorbachev met earlier this week in Moscow with Ichiro Ozawa, secretary general of Japan's ruling Liberal Democratic Party, Kaifu said the Soviet leader appeared to have softened his stance on the territorial issue.

In an interview with Japan's Kyodo News Service reported Thursday, Gorbachev acknowledged he planned to discuss the Kuril Islands dispute during his visit.

But he also said he expected "no surprises" unless the Japanese government alters its position, suggesting he does not plan to agree to return all the disputed islands.

The Soviets seized the group of islands off Japan's northern coast in the final days of World War II, expelling 16,000 residents.

Soviets have since occupied their abandoned fishing villages.

Japanese officials have suggested Moscow agree to a gradual return of the islands, returning two smaller islands first and negotiating a later handover of the others.

The Soviet Union agreed in 1956 to return two islands. But after Japan signed a security treaty with the United States in the same year, Moscow ignored the

Japanese claim and refused to negotiate, claiming it didn't want such a close neighbour to be allied with its then-cold war enemy.

A survey released Friday by the Nikkei Shimbun, a leading financial newspaper, showed a majority of Japanese would agree to a phased return of the islands.

The telephone poll of 10,000 people found 65.6 per cent would agree to a gradual return, 17.6 per cent wanted all the territory returned at once, 1.7 per cent wanted only two islands to be returned, and 5.1 per cent were satisfied with the current situation. The remaining 7 per cent did not reply, it said. No margin of error was provided.

During his visit, Bessmertnykh is expected to meet with Kaifu and Foreign Minister Taro Nakayama to discuss international and bilateral issues.

Up to 16 bilateral agreements are being prepared for signing during the Soviet president's visit, his foreign minister has said.

"High-level talks between the two countries will open up a genuine good neighbour, mutually beneficial, cooperative relationship," Bessmertnykh said after his arrival in Tokyo.

U.S. embassy officials scramble to restore communications after fire

MOSCOW (AP) — U.S. diplomats are scrambling to restore sensitive communications and set up temporary offices following a six-hour blaze that seriously damaged the U.S. embassy.

State Department specialists were en route to Moscow to assess the damage from Thursday's fire, and one U.S. source in Washington said virtually all secure operations had been halted.

The only way to conduct secure communications was through the diplomatic pouch, said the source, who spoke on condition of anonymity.

The blaze, which forced 200 employees to flee the building, caused no serious injuries, U.S. and Soviet officials said.

The fire at the troubled embassy struck at an especially critical time for U.S. envoys in Moscow.

The Soviet Union is undergoing an intense domestic crisis and negotiations are incomplete on a strategic arms treaty and a conventional arms deal between the Kremlin and the United States. Those talks are holding up a Moscow summit between U.S. President George Bush and

Soviet President Mikhail Gorbachev.

The fire was caused by welding sparks in an elevator shaft under renovation, according to Soviet reports. Flames swept to the attic, badly damaging the roof, which bristles with antennas.

The embassy, rented by the U.S. government since 1953, has been plagued by fires and espionage intrigue ranging from mysterious microwave bombardments, bugging and a sex-for-secrets scandal involving Marine guards in 1987.

1st Soviet convoy to pull out of Poland

WARSAW (AP) — The first convoy of Soviet troops to permanently leave Poland will be formally seen off April 9 from a town that does not officially exist, officials said Friday.

A missile brigade will leave in a convoy from Borne-Sulinowo, the centre of the largest military firing ranges in Poland, according to a report Thursday by the Polish news agency (PAP).

Col. Boris Zagibailov, deputy commander of the Soviet North-

ern Army Group stationed in Poland, said the withdrawal just over two weeks after negotiations were completed will be "proof of our goodwill."

Important military bases in the Eastern Bloc were never marked on civilian maps in an attempt to keep their whereabouts unknown. A government spokeswoman said Borne-Sulinowo is near the Baltic coast city of Koszalin.

"It's an extraordinary situation

where the Soviets have an entire town in a foreign country," she said, including a school and shops to support a major military complex.

The Soviets have 50,000 troops in Poland, most stationed near the western border with former East Germany. The Soviets remained in Poland after World War II and their troops were part of the military structure of the Warsaw Pact, which officially will be dissolved Monday.

No 'image-makers' for U.K. premier

LONDON (R) — John Major hates the intrusions into his privacy that being prime minister entails and has vowed never to resort to an "image-maker" to change public perceptions of him as dull.

Major, in a half-hour television interview due to be aired Monday, said he had wanted to be a politician since he was a small boy but found the loss of privacy and the strains on family life the most difficult aspects of public office.

"It does turn your personal life upside down and it does impose strains on other members of the family," he said in the Granada Television interview. "I dislike that very much."

In his first full-scale interview since taking office last November following Margaret Thatcher's resignation, he said intelligence and common sense were most important and he himself was schooled in "the university of life." He did, however, win a qualification in banking from a correspondence course.

Major, whose critics like to refer to him as a "grey man in a

grey suit," firmly rejected any suggestion he should call in consultants to change his image as Thatcher frequently did during her 11½ years in power.

"I don't think I am in the business of changing myself. I don't think it would be right ... and I don't propose to do it," he said, interviewed in his private flat above his official residence at 10 Downing Street.

"It wouldn't ring true with me. I'm afraid people will have to take me ... as I am. I'm not publicly flamboyant, that is perfectly true. I think flamboyance is often best kept for private occasions, with people you know extremely well."

Asked whether it was true that he had six identical grey ties in his wardrobe, Major said: "It is untrue." But he added: "What tends to be the case is that once I put on a tie, I tend not to change it every day. I keep it for several days."

His rise has been meteoric. He only entered parliament in 1979, but since then has held three of the most important offices of

state — chancellor of the exchequer (finance minister), foreign secretary and now prime minister.

In the interview, Major dismissed public concerns that the pressure of the job, including, during the Gulf war, presiding over the biggest deployment of British forces since World War II, had caused his health to suffer.

"I've had not a single day off work unwell ... for about 25 years, so I think that's a fairly satisfactory record," he said.

He lavished praise on Thatcher, said he strongly supported many of her policies. Reminded that he once described Thatcher, known to the world as the "iron lady," as a "lovable character," Major replied, "Did I? I think — well, she is. I think she is."

"I think the public Mrs. Thatcher that people see is in many ways very sharply different from the private Mrs. Thatcher that people know," he said. She was responsible for "innumerable" acts of kindness which went largely unnoticed.

Gunman kills 3 Catholics in N. Ireland

CRAIGAVON, Northern Ireland (AP) — The prime of the Anglican Church Friday condemned the slaying of two Catholic shopgirls and a customer, believed committed by Protestant paramilitaries.

No group claimed responsibility for the killings Thursday evening of a 19-year-old woman, her 17-year-old friend and a male customer, police said.

But the British Broadcasting Corp. (BBC) Friday said the attack appeared to have been the work of Protestant paramilitaries.

Robin Eames, primate of the

Anglican Church of Ireland, said in a BBC Radio interview: "I am simply trying to cry out from the midst of the Protestant community and say that if this was done in our name we utterly reject it, and we say to our Roman Catholic neighbours it is not done by our mandate."

Police said two masked gunmen in a blue van pulled up opposite a mobile grocery shop at Drumbrugh South, a predominantly Catholic public housing project 30 kilometres southwest of Belfast, late Thursday.

One gunman dragged a 14-

year-old girl outside by her hair and forced her to kneel on the ground.

He then shot to death both women inside the shop and a man who was about to enter, police said.

News reports speculated the slayings may have come in retaliation for sectarian slayings of Protestants in recent months.

The BBC said police had warned the shop's owner about Protestant paramilitary threats of violence but had thought gunmen would not kill a female employee.

S. Korea to buy 120 F-16 Jets from U.S.

FORT WORTH, Texas (AP) — South Korea hopes to buy 120 F-16 fighters from General Dynamics Corp. in a \$5.2 billion deal boosting the company's Fort Worth plant, where 7,000 workers have been laid off since the start of the year.

Final details of the contract must still be worked out and Congress must approve it, officials said Thursday.

South Korea in 1989 agreed to a \$1.7-billion deal to buy 120 F-16 fighters from McDonnell Douglas Corp. But some members of Congress objected because only 12 of the planes would be built in the United States.

A new defence minister in South Korea ordered a review of the deal last fall, opening the door for a renewed bid by General Dynamics.

"It's been a long time on the books, several years that we've been going through this competition," said Dwan Mayfield, General Dynamics vice president in charge of F-16 development.

"It came as a surprise to us to learn the F-16 had been selected," said Lee Whitney, spokesman for McDonnell Aircraft Co. in St. Louis.

General Dynamics will build 18 of the 120 F-16s in Fort Worth between 1991 and 1992, assuming the deal is approved. The rest would then be built with company assistance in South Korea.

Rep. Pete Geren, a Texas Democrat, said he is confident Congress will approve the General Dynamics deal.

"South Korea is really a great ally of ours. One that we have a strong alliance and one that we have had a long relationship with," Geren said.

"That's not to say it's a foregone conclusion. It's something we'll have to work on," he said. The deal was the first good news in months at the Fort Worth plant but won't change plans to trim the work force from 23,000 to 19,000 this year.

"We won't add any people but we will be able to keep 300 to 1,000 people we would have lost with the downturn in the defence business," Mayfield said.

The air force recently announced a reduction in its purchase plans for the F-16, the plant's main product, and the Pentagon in January cancelled development of the navy's A-12 Seaflash fighter.

"It's a positive note in a time when you don't have too many positives," said Less Caraway of the plant's machinists union.

Kohl vilified by people who once cheered him

BONN (AP) — Helmut Kohl once promised that no German would suffer after unification. He was wrong, and Kohl himself is one of the victims.

The chancellor's popularity six months ago when Germany was unified has been eroded by the arduous task of trying to make unification work.

In the euphoria of unity, Kohl's party in December won the first election of a unified Germany. But in former west Germany, Kohl has come under fire for breaking an election pledge that his government would not increase taxes to finance unity.

Now, the government has plans to raise sales taxes, and a 7.5 per cent income tax increase is due July 1.

The chancellor's tumble is most visible, and audible, in former east Germany. Viewed by eastern Germans as a saviour before unity on Oct. 3, Kohl is now considered a fraud by many.

On the same east German streets and square where shouts of "Helmut, Helmut," echoed through the air before unification, impoverished protesters are now yelling "go away, Kohl."

Leipzig's Augustus Square, where Kohl last year vowed "no one will be any worse off after German unity," is referred to by Leipzigers as "the square of broken promises" because of eastern Germany's deepening economic crisis.

Kohl, who once reveled in addressing enthusiastic east Germans, has been avoiding the region, and is being castigated for his absence.

As more than 80,000 people



Helmut Kohl

rallied Leipzig Monday, the chancellor was in Austria for his annual slimming-down vacation. The Leipzig Tagblatt newspaper Tuesday observed that while the portly Kohl was trying to shed pounds at a mountain resort, jobless east Germans were worrying how to pay for their groceries.

"Tens of thousands took to the streets, and the man they blame is dieting in Austria," the newspaper said.

Angry because Kohl has not ventured into the region for a personal look at their problems, protesters have threatened to march on Bonn.

Kohl has responded by saying he understands eastern Germans' rage and has promised them an economic turnaround within five years. At the same time he has told them to work harder.

Easter week is time of religion, pageantry and socialising in Philippines

PILILIA, Philippines (AP) — Chanting wafts through the night in this town and thousands like it as Filipino Christians mark Easter week with rituals blending religion, pageantry and socialising.

The chants are from the Pabasa, or nightlong ritual singing of the Passion of Christ. The Passion recalls the Biblical story of Jesus' death and resurrection.

It is one of several folk rituals observed in the week leading up to Easter in the Philippines. Asia's only predominantly Christian nation. About 85 per cent of the 60 million Filipinos are Roman Catholic.

Other traditional rituals include religious processions, Passion plays, self-flagellation and even re-enactments of Jesus' crucifixion, in which devotees are nailed to wooden crosses.

Most widespread is the Pabasa, which is practised in villages, towns and urban Barrios throughout this archipelago nation. Spanish missionaries brought

Christianity in the 16th century, and each of the country's eight major linguistic groups has its own version of the Pabasa.

In this Tagalog-speaking town of 30,000 some 60 kilometres southeast of Manila, residents sing a version based on a 300-page liturgy written early in the 19th century by a teacher, Mariano Pilapil.

Here, private families usually sponsor the singing. They set up tables in their yards, where neighbours gather beneath status of saints to chant the liturgy from sunset until dawn.

In a gesture toward modernity, some sponsors set up electronic sound systems provided by relatives working abroad. Whole families take part, from grandparents to small children.

Sponsors provide food to those who stop by to take part in the ritual. That gives the ceremony a festive atmosphere, an opportunity for neighbours to socialise while fulfilling burden. Food and other expenses for the week can

run as high as 15,000 pesos (\$535) — more than three months' salary for many ordinary farmers or factory workers.

Statues of saints, virtually a must at a Pabasa, can cost up to 60,000 pesos (\$2,100). Poor sponsors sometimes borrow statues from wealthier relatives or friends.

"It's only once a year," said Socorro Aneno, 51, whose family has been sponsoring Pabasas here for generations. "But we consider it as an act of charity to feed the people and to pray."

Several sponsors said their families began playing host to such rituals to fulfill religious vows, made for such cases as recovery from illness or births of children.

But in many cases, those vows were taken generations ago by ancestors long dead. Their descendants continue to fulfill what they consider a family obligation but cannot remember why.

Nonetheless, the obligation of sponsorship is passed on from generation to generation. Children who move away often send home money during Easter week to help defray expenses of sponsorship.

"My grandmother did it, and her grandmother before her," one sponsor, Emma Patena, said.

Meanwhile in the city of Cutud, a 24-year-old fish vendor stared at the sky and wept Friday as he and other devotees were nailed to wooden crosses in a ritual marking the crucifixion of Jesus Christ.

Six men were crucified in the middle of a rice field while thousands of devotees and tourists watched.

"This is my first time to be crucified," fish seller Chito Sangalang said before being nailed to the cross. "I'm doing it because of my mother, who got sick and got well. I will continue this if God permits me to live on. I will go for another 25 years."

Hundreds of flagellants beat their backs bloody with bamboo whips as they led the procession

to the field where the crucifixion took place.

Others were nailed to crosses in rituals elsewhere in central Luzon Island and Manila, including three women and a man in Bulacan province.

The annual Good Friday rites are part of a series of ceremonies some Filipinos practice to mark the week leading to Easter, when Christians believe Jesus rose from the dead.

Other traditions require devotees to fast, walk barefoot on hot pavements and walk on banded knee in churches.

Roman Catholic officials disapprove of cross nailings but have made little effort to stop them. The rites, which began in this farming community 50 kilometres north of Manila in 1962, have become a major tourist attraction.

Police said about 20,000 people turned out to watch Friday's ceremony as the six devotees were nailed to the crosses three at a time, in keeping with the Biblical

belief that Jesus was executed with two thieves.

Devotees dressed as Roman Centurions wore long aluminum nails soaked for a year in disinfectant into Sangalang's palms, then hoisted the cross to an upright position.

Sangalang stared toward the cloudy sky and wept.

After about five minutes the six were hauled down, and assistants swabbed their palms in iodine to prevent infection.

Asked if he wanted to see a doctor following his ordeal, Sangalang replied: "It's up to Jesus. I will not take antibiotics." Participants generally don't suffer serious physical effects from the crucifixions.

"I can't believe this," tourist Roland Donor of Zurich, Switzerland, said as he watched blood spatter from the palms of the devotees. "I thought it was done only in the movies. It is frightening. They are very gutsy."

Sleepwalker loses appeal against insanity

LONDON (R) — A Briton who was detained in a mental hospital for attacking a woman friend while sleepwalking failed in an appeal to establish that he was not insane. Barry Burgess, 34, was judged not guilty but insane for hitting his victim with a bottle and trying to throttle her after they fell asleep, having watched a video called Night Train to Terror. He was ordered detained in a mental hospital by a court in Bristol, western England, in July 1989, and was later released.

Burgess tried to establish that he had suffered from "non-insane automatism" through sleepwalking and should have been acquitted instead of being found not guilty of wounding with intent through insanity.

Depardieu may sue U.S. publication

PARIS (AP) — French film star Gerard Depardieu has said he will sue "enormously" if American publications do not retract their stories about his purported involvement in a rape at the age of 9. The actor, who is at the centre of a trans-Atlantic storm over an interview published in the Feb. 4 edition of Time magazine, denied saying he had participated in a rape. His U.S. lawyer, meanwhile, blamed the controversy on a mistranslation of a French verb. He said the verb meant "witness" rather than "participate." "I'm really going to attack because I can't stand the label 'oscar, Depardieu, rapist,'" Depardieu told Europe 1 Radio host Jean-Pierre Elkabbach. The actor spoke from the Indian Ocean island of Mauritius, where he is shooting a movie. "It's low, it's pathetic. I find the whole thing monstrous and disgusting, really disgusting," he said. Depardieu was nominated for best actor at Monday night's Hollywood award ceremonies for his performance in the title role of Cyrano De Bergerac, but lost to Jeremy Irons for *Reversal Of Fortune*.

New asteroid may be a dead comet